

**IN THE COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL DISTRICT OF CALGARY**

BETWEEN:

**NILE CAPITAL I S.À.R.L., NILE CAPITAL II S.À.R.L.,
LUXOR CAPITAL PARTNERS, LP and LUXOR CAPITAL
PARTNERS OFFSHORE MASTER FUND, LP**

Plaintiffs

-and-

**EARTHRENEW CORPORATION, EARTHRENEW, INC.,
EARTHRENEW IP HOLDINGS LLC, EARTHRENEW
STRATHMORE 1 LP, EARTHRENEW STRATHMORE
GENERAL PARTNER LTD., EARTHRENEW SOLUTIONS
LP, EARTHRENEW OPERATIONAL EMPLOYEE LP,
EARTHRENEW MANAGEMENT LP and EARTHRENEW
MANAGEMENT GENERAL PARTNER LTD.**

Defendants

**Notice of Motion
(Stalking Horse Bid/Sales Process)**

TAKE NOTICE that an application will be made by counsel for RSM Richter Inc. in its capacity as Receiver and Manager (the "Receiver") over the Defendants (the "EarthRenew Group of Companies") before the Honourable Madam Justice J. Stekaf at the Courts Centre in the City of Calgary, in the Province of Alberta, on Monday, the 18th day of October, 2010, at the hour of 1:00 o'clock in the afternoon or so soon thereafter as counsel may be heard for an Order:

1. authorizing and directing the Receiver to carry out the sales process for the assets of the EarthRenew Group of Companies generally as set out and described in the First Report of the Receiver dated October 13th, 2010 (the "Receiver's First Report");
2. authorizing and directing the Receiver to accept the stalking horse offer (the "Stalking Horse Offer") received from 089021 B.C. Ltd. (the "Stalking Horse Bidder") in

accordance with the terms of the Stalking Horse Offer attached as Appendix A to the Receiver's First Report;

3. approving the terms of the Stalking Horse Offer including the break fee, overbid process and auction process all as contained in the Stalking Horse Offer;
4. deeming service of the within application to be good and sufficient;
5. such further and other relief as this Honourable Court deems appropriate in the circumstances.

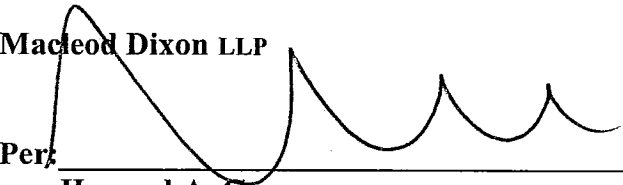
AND TAKE NOTICE that the grounds upon which this application will be made include the following:

- (a) the Receiver was appointed Receiver over the EarthRenew Group of Companies pursuant to an Order of Justice Hawco dated September 15, 2010;
- (b) the Applicants are the primary secured creditors over the EarthRenew Group of Companies;
- (c) the Receiver has received the Stalking Horse Offer from the Stalking Horse Bidder for the assets of the EarthRenew Group of Companies;
- (d) the terms of the Stalking Horse Offer provide an opportunity for the Receiver to market the EarthRenew Group of Companies' assets with the potential of obtaining a higher or more favourable bid;
- (e) the inclusion of a break fee is typical for such Stalking Horse Offers and the terms of the break fee are just and appropriate in the circumstances;
- (f) the acceptance of the Stalking Horse Offer and the concurrent sales process are just, convenient and appropriate in the circumstances and in respect of the administration of the EarthRenew Group of Companies receivership.

AND FURTHER TAKE NOTICE that the Receiver relies upon the provisions of the *Judicature Act*, R.S.A. 2000, the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3.

AND FURTHER TAKE NOTICE that in support of the application counsel for the Receiver will refer to the pleadings and proceedings filed herein including the Affidavits of Michael Conboy dated September 15, 2010 and October 6, 2010, the Receiver's First Report dated October 13th, 2010 and such other materials as counsel may advise and this Honourable Court may permit.

DATED at Calgary, Alberta, this 13th day of October, 2010.

Macleod Dixon LLP
Per: 
Howard A. Gorman
Counsel for RSM Richter Inc. in its capacity
as Receiver and Manager over the
EarthRenew Group of Companies

To: Clerk of the Court
And To: Madam Justice Strekaf
And To: Aird & Berlis LLP
Attention: Steven L. Graff
Solicitors for the Plaintiffs

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JUDICIAL CENTRE OF CALGARY

BETWEEN:

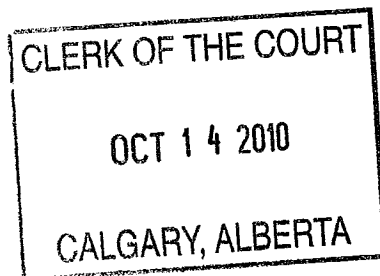
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Defendants



NOTICE OF MOTION
(STALKING HORSE BID/SALES
PROCESS)

Macleod Dixon LLP

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File No. 268930/HAG