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Addendum – Request for Proposals Demolition and Scrap Processing Services

(for Renova Scotia Bioenergy Inc. located in Brooklyn, Nova Scotia)



Addendum to Request for Proposals Issue Date: November 20, 2013

Responses to the Request for Proposals must be received no later than November 28, 2013 at the office of:

Deloitte Restructuring Inc. Purdy's Wharf Tower II 1969 Upper Water Street, Suite 1500 Halifax, Nova Scotia B3J 3R7 Canada

Facsimile bids will not be accepted for the Request for Proposals.

Addendum – Request for Proposals

All capitalized terms in the Addendum Request for Proposals ("Addendum") shall have the meaning as defined in the Demolition Request for Proposals ("RFP").

The following sections of the RFP are amended by this Addendum:

4.1 Scope of Work

Additional Information

The following information was provided at the mandatory pre-proposal meeting held on November 13, 2013 to assist prospective Bidders. To be clear, Bidders shall refer to section 2.6 – Examination of the Project Site of the RFP regarding the need to satisfy themselves, by personal examination or otherwise, as to the conditions of the Project Site and its surroundings, access to the Project Site and the general and local conditions relating to labour, law, regulations, transportation, communications, utilities, weather and all other matters that may affect their work.

A summary of current demolition zone conditions:

- All power has been disconnected
- All water lines have been rerouted and disconnected
- There are no gas lines
- All steam lines have been rerouted and disconnected
- There are no energy sources (compressed air or loaded hydraulics)
- All equipment has been drained of all oils and lubes

A summary of remaining hazardous materials in the demolition zone which were not accessible or safe to address when hazardous removal work was performed:

- HID Lighting (approximately twenty (20) units)
- Lead paints on the west wall of the steam plant and on the second floor of the turbine building
- Transite Panels (potential, non-friable) in ceilings of 4th and 5th floor of the boiler extension
- Asbestos board roof of boiler extension (middle roof 280 m2)
- Asbestos board roof of boiler extension (lower roof 390 m2)
- Twenty-two (22) air conditioning units
- Cast Iron roof drain pipe connections sealed with lead

Further information available on the demolition cut lines:

- A structural assessment has been completed along cut lines between buildings to remain and demolition zone
- Columns and structures were repaired and/or braced where required
- Extreme caution will be required where the cut lines between buildings to remain and demolition zones
 meet

Approximate floor area of the demolition zone is summarized as follows:

| Building | Sq. Ft. | Levels |
|---------------------|---------|------------------------------|
| Paper mill building | 46,700 | basement/main level |
| Finishing floor | 17,500 | basement/main level |
| Save all building | 8,500 | basement/2 levels (high) |
| Core room | 3,600 | 1 level (ground) |
| Train Shed | 4,300 | 1 level (ground) |
| T2 Conveyor housing | 2,200 | 1 level |
| MCR 6/21 | 5,000 | 1 level with mezzinine |
| MCR 23 | 1,600 | 1 level |
| Steam plant | 14,000 | 5 levels/ some open cat walk |
| Turbine building | 5,800 | basement/main level (high) |
| Chipper room | 6,000 | 4 levels |
| Acid Room | 2,200 | 1 level |
| | 117,400 | |

Assets to be considered as scrap

Materials to be considered as scrap by Bidders in their response to the RFP include all wiring, piping, and miscellaneous steel scrap in the demolition zone resulting from the demolition activity. Bidders shall not consider as scrap the assets listed for sale in Parcel 4 of the Assets Sales Process, the Invitation for Offers. Parcel 4 of the Invitation for Offers is attached to this Addendum and will be considered as Appendix E to the RFP.

The Request for Proposals solicits Bidders to submit two pricing options, including the i) processing of scrap off the Project Site; and ii) processing of scrap on the Project Site.

- For scrap processing off the Project Site, steel and copper scrap recovery from the demolition zone will be the responsibility of the Contractor and for their account. Consideration of the value of steel and copper scrap should be reflected in the Bidder's proposal. Scrap will be processed on the Project Site only to the extent required to allow removal by transport truck.
- For scrap processing on the Project Site, the work will include the preparation of all shearable and nonshearable steel and copper scrap for resale in accordance with the specifications of NSLI. Please refer to Appendix B of the RFP for scrap processing specifications for more details.

To be clear, Bidders submitting a consolidated bid for both demolition services and purchase of assets must list a price for each parcel purchased, as per the Form of Offer attached as Appendix B to the Invitation for Offers, which can be obtained at the following links:

Nova Scotia Department of Economic and Rural Development and Tourism's Procurement Services website: www.novascotia.ca/tenders/pt_files/tenders/RENOVASCOTIA1.pdf

Deloitte's website: www.deloitte.com/ca/renova

Back-Fill Specifications

Back-fill generated during demolition and scrap processing activity are to meet the follow specifications. All back-fill must be/have:

- Clean with no evidence of contamination and no hydrocarbons or free product of any kind
- Crushed and/or broken to maximum size in any direction of 12" (25 cm)
- No rebar protruding greater than 4" (8 cm)
- No wood or organic materials
- 6" type 2 gravel overlay compacted
- Placed in maximum 24" lifts
- All loose metal product removed (no siding, chain link fencing, etc.)

1.2 RFP

The following appendix is provided to Bidders with information to enable them to prepare and submit proposals for consideration by Deloitte on behalf of Renova:

Appendix E – Paper Machine Equipment

Appendix E has been attached to this Addendum.

Deloitte Restructuring Inc.

Acting as Agent for Renova Scotia Bioenergy Inc. And not in its personal capacity

Per:

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Appendix E – Paper Machine Equipment

Parcel 4 - Paper machine equipment

Paper machine equipment includes equipment formerly involved in newsprint manufacturing process, which included twin paper machines that produced standard newsprint or bulky book paper. Specifications for each paper machine are as follows:

- Basis Weights: 42 gsm (grams per square meter) to 56 gsm
- Speed: 1000 mpm (meters per minute) at 45 gsm
- Width: Maximum winder trim of 560 cm / Breast roll width of 585 cm
- Production Capacity: 350 metric tonnes per day at 45 gsm
- Maximum Roll Diameter through Wrapping Station: 127 cm
- Maximum Roll Length through Wrapping Station: 182 cm

The following assets have already been removed from the paper machines:

- Two (2) Metso dilution headboxes complete with dilution screens and pumps
- Twenty Four (24) vacuum pumps
- All core cutting equipment
- Dry end pulper and Guillotine
- Break Review camera system
- Paper quality testing machine (Paper Lab)
- All DC Paper Machine motors greater than 500 Hp, except two (2) motors at 950 Hp

Major equipment available in this Invitation:

Stock Screens – includes six (6) Bird stock screens already disassembled;



Stock Screens

Deculators – includes two (2) Bauer Deculators;



Deculator

Cleaners - includes two (2) racks of Bauer Centrifugal Cleaners;



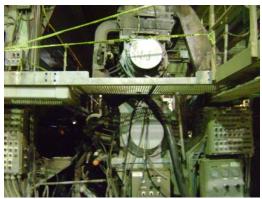
Bauer Centrifugal Cleaner

Formers – includes two (2) Valmet Duo-Formers;



Valmet Duo-Former

Presses – includes two (2) Beloit 2 nip Ventinip grooved roll presses;



Beloit 2 nip Ventinip Grooved Roll Press

Dryer Sections – includes ten (10) Section Dryer arrangements (Four Unirun and Six Conventional) and sixty eight (68) Dryer Cans;



Dryer Section Arrangement

Paper Gauging Systems – includes two (2) Measurex MxOpen Gauging Systems (Installed 1995/1997);



Measurex MxOpen Gauging System

Hole Detector – includes one (1) Cognex Hole Detector PM2 (circa 2005);



Cognex Hole Detector

Calendar Stacks – includes two (2) 6-Roll steel Calendar Stacks;



6-Roll Calendar Stack

Paper Reels – includes two (2) Dominion Primary, Secondary arm design Paper Reels;



Dominion Paper Reel

Reel Spools – includes fourteen (14) Beloit steel shell Reel Spools;



Beloit Reel Spools

Winder Backstands - includes two (2) carbon steel Winder Backstands (picture not available);

Winders – includes two (2) Dominion 2-drum shafted Winders, Hydraulic lowering table design; Valmet Slitter Section (installed 1991 &1995) and one (1) disassembled Jagenberg Winder;



Slitters & ABB Operator Control Stations



Rider Roll and Front/Rear Drums

Save-Alls – includes two (2) Dorr Oliver stainless steel Save-Alls;



Drive End



22 Rows, 12 Sectors Each Row

Roll Wrapping Equipment – includes Lamb Roll Wrapping System with capacity of 1000 or 1500 packages per day;

- One (1) Lamb steel slat infeed Conveyor
- Eight (8) Lamb Wrapper Stands
- One (1) Lamb Body Wrap Station
- One (1) Lamb Crimper Station
- One (1) Lamb End Cap Station



Lamb Roll Wrapping System

Roll Conveying Equipment - includes Lamb and Cyvector Roll Conveying equipment;

- One (1) 1962 Lamb steel slat bilge Roll Conveyor 125 Ft. section
- One (1) 1989 Lamb steel slat bilge Roll Conveyor 150 Ft. section
- One (1) 1989 Lamb Roll Kicker infeed side of Lowerator
- One (1) 1989 Lamb Turntable infeed side of Lowerator
- One (1) 1989 Lamb Lowerator
- One (1) 1989 Lamb Lowerator Kicker outfeed side of lowerator
- One (1) 1989 Lamb Roll Upender outfeed side of Lowerator
- One (1) 1989 Lamb Outrun Belt Conveyor outfeed side of Roll Upender
- One (1) 2007 Cyvector Roll Kicker infeed side of Upender
- One (1) 2007 Cyvector Upender
- One (1) 2007 Cyvector 2 sections belt conveyor each 20 feet long (Upender outfeed)
- One (1) 1929 Wood slat Conveyor 800 Ft. section



Lamb Steel Slat Bilge Roll Conveyor



Lamb Turntable and Lowerator



Lamb Kicker and Turn Table



Lamb Bumper and Upender



Lamb Roll Upender & Discharge Conveyor



1929 Wood Slat Conveyor



Cyvector Upender

Paper Machine Rolls – identified by the following section/roll types:

Fourdrinier Section: includes Breast, 3rd Bottom, Guide, 2nd Bottom, Stretch, 1st Bottom, Couch, and Bottom Wire Turning;

Bel-Roll Section: includes Lead In, Stretch, Top Wire Turning, and Positioner;

First Press Section: includes Suction Pick Up, Grooved Press, Granite, Interpress Draw, Concave Roll, Hitch, Stretch, and Guide;

Second Press: includes Suction Felt, Granite, Nipco, Paper, Inching, Guide, 1st Outside Position, Stretch, and 2nd Outside Position;

Dryers Section: includes Felt Grooved Short, Plain Felt Regular, Plain Felt Short, PV/Swing, PV Roll 5th POS, PV Roll 4th POS, PV Roll 3rd POS, PV Roll 2nd POS, and PV Roll 1st POS;

Calendar/Reel Section: includes Tension, Spreader, Paper, Bowed, Top, 2nd, 3rd, Intermediate C.C., Queen, KING, Reel Drum, and Reel Spool;

Winder Section: includes Lead In, Bowed, Top Sectional, Bottom Sectional, Front Drum, and Rear Drum;

Spare Paper Machine Rolls: includes Couch Roll, Granite Roll, and Pick-up Roll;



Spare Paper Machine Couch Roll



Spare Paper Machine Pick-Up Roll



Spare Paper Machine Granite Roll



Various Paper Machine Rolls

Motor Control Centers:



600V Allen Bradley



600V General Electric



2400V Allen Bradley



2400V Cutler Hammer

13.8KV Disconnect Switches, Dry Type Transformers, 600V Distribution Breakers:



Westinghouse DS 416 Breakers



GE type AK-2-25 Breakers

Allen Bradley Programable Logic Controllers:



Control Logic



PLC 5

Distributed Control System:



ABB/Bailey Infi 90/Net90

Vibration Monitoring Equipment:



ABB Smart Advisor/Monitoring Technology Corporation P-200/MS-200 Online Vibration Monitoring

Instrumentation:



Various Transmitters



Various Flow Tubes/Valves

ABB Paper Machine Drive System:



APC/AC80



GOP



DC Drive Line-Up

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