

BANKRUPTCY AND INSOLVENCY ACT

Form 87

Notice and Statement of the Receiver
(Subsection 245(1) of the Act)

**In the Matter of the Receivership of
Enviro-Klean Remediation Group Inc.**

TAKE NOTICE THAT:

1. On the 4th day of November, 2011, we the undersigned, Boale, Wood & Company Ltd. became the Receiver of all personal property, assets and undertakings of Enviro-Klean Remediation Group Inc.
2. The undersigned became a Receiver pursuant to a security agreement dated April 27, 2011 notice of which was registered in the British Columbia Personal Property Registry under Base Registration No. 116746G on April 27, 2011.
3. The undersigned took possession and control of the property described above on the 4th day of November, 2011.

4. The following information relates to the Receivership:

- | | | |
|-----|--|---|
| (a) | Address of the Company: | 276 - 33771 George Ferguson Way, Abbotsford, BC V2S 2M5 |
| (b) | Principal Line of Business: | Research & Product Development of Soil Remediation Systems |
| (c) | Location(s) of Business: | As above |
| (d) | Amount owed by insolvent person to each creditor who holds security on the property described above: | |
| | Ted Hilton | \$400,000.00 |
| | 0852963 B.C. Ltd. | \$56,049.32 |
| | 574651 B.C. Ltd | \$56,049.32 |

Notice and Statement of the Receiver (Subsection 245(1))

- 2 -

| | |
|-------------------------|--------------|
| Andrew Palaniak | \$112,361.65 |
| TLC Holdings Inc. | \$357,223.57 |
| Mainland Machinery Ltd. | \$701,555.38 |
| R&D Capital Inc. | \$248,000.00 |

- (e) The list of other known creditors in respect of the property and the amounts owed to each creditor are as follows:

See attached schedules

- (f) The intended plan of action of the Receiver during the Receivership is to complete the manufacturing of the KM-4 Oil Remediation Machine, arrange shipping of the machine to the purchaser, and collect the funds held pursuant to the letter of credit issued by the purchaser. The funds received from the letter of credit along with any other monies realized in the Receivership will then be distributed to the creditors in accordance with their respective priorities.

- (g) Contact Person for Receiver: John McEown, CA, CIRP
Boale, Wood & Company Ltd.
1140 – 800 West Pender Street
Vancouver, BC V6C 2V6
Telephone: (604) 605-3335
Facsimile: (604) 605-3359

Dated at Vancouver, British Columbia, this 21st day of November, 2011.

Boale, Wood & Company Ltd.
Receiver of the Property of
Enviro-Klean Remediation Group Inc.


Per: John McEown, CA•CIRP

Creditor List

Boale, Wood & Company Ltd.

Date of Report: 21/11/2011

ENVIRO-KLEAN REMEDIATION GROUP INC.,

VANCOUVER

Claim Status:

Generated By: Kevin Owens

| T | Creditor's Name and Address | Ref No | 170 Report | Material Change | Amended Payments | Meeting Requested | Amount Declared | Amount Filed | Amount Admitted | CS |
|--------------------------------|---|--------|--------------------------|--------------------------|--------------------------|--------------------------|---------------------|---------------|-----------------|----|
| U | 0852963 B.C. LTD. 419 McKenzie Road, Abbotsford, British Columbia, V2S 7N4, Canada | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | \$6,049.32 | \$0.00 | \$0.00 | N |
| U | 574651 B.C. LTD. 33805 George Ferguson Way, Abbotsford, British Columbia, V2S 2M7, Canada | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | \$6,049.32 | \$0.00 | \$0.00 | N |
| U | ANDREW PALANIAK 12300 Buchanan Street, Richmond, British Columbia, V7E 6T8, Canada | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | \$12,361.65 | \$0.00 | \$0.00 | N |
| U | CENTURION ELECTRIC LTD. Attn: Dave Howard 13870 - 28A Avenue, Surrey, British Columbia, V4P 2N1, Canada | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | \$32,004.90 | \$0.00 | \$0.00 | N |
| U | CHARLES M. FRANCIS Attn: Merl Francis 1323 Parker Street, White Rock, British Columbia, V4B 4S4, Canada | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | \$12,926.65 | \$0.00 | \$0.00 | N |
| U | FRASER VALLEY REFRIDGERATION 26121 Fraser Hwy, Aldergrove, British Columbia, V4W 2W8, Canada | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | \$147,328.69 | \$0.00 | \$0.00 | N |
| U | KUHN & COMPANY 300 - 31935 South Fraser Way, Abbotsford, British Columbia, V2T 5N7, Canada | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | \$4,710.88 | \$0.00 | \$0.00 | N |
| U | LARRY HOWARD 343 Richfield Road, Edmonton, Alberta, T6K 0A5, Canada | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | \$847.72 | \$0.00 | \$0.00 | N |
| U | NEBS BUSINESS PRODUCTS 330 Cranston Cres, Midland, Ontario, L4R 4V9, Canada | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | \$206.95 | \$0.00 | \$0.00 | N |
| U | PARAGON PARTNERS INC. 5158 48th Ave., Suite 274, Delta, British Columbia, V4K 5B6, Canada | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | \$94,934.15 | \$0.00 | \$0.00 | N |
| U | PRO-TECH BUILDING SYSTEMS LTD. Attn: Larry Howard 343 Richfield Road, Edmonton, Alberta, T6K 0A5, Canada | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | \$106,262.12 | \$0.00 | \$0.00 | N |
| U | RAYS SECURITY PATROL SERVICES LTD. 32307 Adair Ave, Abbotsford, British Columbia, V2S 2M5, Canada | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | \$10,512.32 | \$0.00 | \$0.00 | N |
| U | SOCETEX-AUTOMATION Attn: Dan Bude 15437 Pacific Avenue, White Rock, British Columbia, V4B 5B6, Canada | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | \$19,153.12 | \$0.00 | \$0.00 | N |
| U | TELUS COMMUNICATIONS INC. Attn: Settlement Desk 4th Floor - 4519 Canada Way, Burnaby, British Columbia, V5G 4S4, Canada | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | \$484.09 | \$0.00 | \$0.00 | N |
| U | TLC HOLDINGS INC. 34717 Skyline Drive, Abbotsford, British Columbia, V2S 1J2, Canada | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | \$42,223.57 | \$0.00 | \$0.00 | N |
| U | UNDERWRITERS INSURANCE BROKERS (BC) LTD. 3159 Arbutus Street, Vancouver, British Columbia, V6J 3Z3, Canada | | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | \$500.00 | \$0.00 | \$0.00 | N |
| Sub Total for Unsecured | | | | | | | \$496,555.45 | \$0.00 | \$0.00 | |
| Grand Total | | | | | | | \$496,555.45 | \$0.00 | \$0.00 | |