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TIME SENSITIVE OPPORTUNITY

INVITATION FOR OFFERS TO PURCHASE THE ASSETS OF KANATA CHEMICAL TECHNOLOGIES INC. ("KANATA")

THE BUSINESS

Kanata, based in the MaRS Discovery District in Toronto, Ontario, is a producer of specialized ligands and catalysts for use in chemical processes in industries including pharmaceutical, biotechnology, agrochemical, flavor and fragrance, fine chemical and energy.

Kanata operates from a 3,400 square foot facility at 101 College Street West in Toronto, Ontario with 6 employees.

For more information on Kanata please visit: www.kctchem.com

Kanata had been experiencing liquidity issues and was attempting to refinance the company by raising additional debt and equity. On August 7, 2013, A. Farber & Partners Inc. was appointed Receiver and Manager (the "Receiver") by the Ontario Superior Court of Justice pursuant to an application brought by Benayoune & Associates FZE, a secured creditor of Kanata.

TRANSACTION PROCESS

The Receiver is conducting a sales process to sell its right, title and interest in the property, assets and undertaking of Kanata (the "Assets"), which include the following:

- Accounts receivable
- Inventory
- Laboratory equipment
- Assigned contracts
- Patents and related intellectual property
- Trade names & website
- Customer list
- Open customer orders
- Rights to tax credits under the SRED program relating to the Property

The Receiver has obtained court approval of a stalking horse sales process (the "Sales Process") pursuant to the Order of the Honourable Mr. Justice Pattillo dated August 26, 2013.

BID DEADLINE

All offers for the purchase of the Assets must be submitted to the Receiver by no later than **4:00 p.m. EDT on the 27th of September, 2013** at the following address:

A. Farber & Partners Inc.
150 York Street, Suite 1600, Toronto, Ontario, M5H 3S5
Fax: 416-496-3839
Attention: Rob Stelzer, CPA, CA, CIRP

Email: rstelzer@farberfinancial.com

Parties interested in acquiring the Assets will be required to sign a confidentiality agreement. Enquiries for potential purchaser qualification and receipt of a confidentiality agreement should be made to the Receiver to the attention of:

Peter Crawley, MBA, CPA, CA●CIRP
Tel: 416-496-3507
Email: pcrawley@farberfinancial.com

Interested parties may also visit the Receiver's website at www.farberfinancial.com and click on the "Kanata Chemical Technologies Inc." link under "Insolvency Engagements" for information and documents regarding this opportunity and the terms of the Sales Process. Interested parties should continue to liaise with the Receiver to ensure they are familiar with the Sales Process.

August 27, 2013