Docket #0105 Date Filed: 08/10/2026

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-1(b)

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In re: POOLIN TECHNOLOGY PTE. LTD., *et al.*[1] Debtors.	Chapter 11 Case No. 26-18325 (EJO) (Jointly Administered) Judge: Eamonn J. O'Hagan **Hearing Date: August 14, 2026**

DEBTORS' REPLY IN SUPPORT OF THE BIDDING PROCEDURES MOTION AND IN RESPONSE TO THE OBJECTION OF LIN LIANG

Poolin Technology Pte. Ltd. ("Poolin") and its affiliated debtors and debtors-in-possession: Lonestar Dream Inc. ("LSD"); and Lonestar Taproot, LLC ("LST" and collectively, the "Debtors") respectfully submit this reply (this "Reply") (i) in support of the *Debtors' Amended Motion for Entry of (I) an Order (A) Approving Certain Bidding*

[1] The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtors' federal tax identification number, are: Poolin Technology Pte. Ltd., a Singapore Private Limited Company; Lonestar Dream Inc. (5105); and Lonestar Taproot LLC (4118). The location of the Debtors' service address for purposes of these Chapter 11 Cases is: c/o Michael DuFrayne, CRO, 2564 US Highway 1, PMB #16884166, Lawrence, NJ 08648.

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Procedures and the Form and Manner of Notice Thereof, (B) Authorizing the Debtors to Designate the Stalking Horse Bidder, (C) Scheduling an Auction and a Hearing on the Approval of the Sale of Substantially All of the Debtors' Assets, (D) Authorizing the Debtors to Enter Into the Purchase Agreements, (E) Establishing Certain Assumption and Assignment Procedures and Approving the Manner of Notice Thereof, and (F) Granting Related Relief; and (II) an Order (A) Authorizing the Sale of Substantially All of the Debtors' Assets Free and Clear of Encumbrances, (B) Approving the Assumption and Assignment of the Potentially Assigned Contracts, and (C) Granting Related Relief [Docket No. 30] (the "Motion"),[2] and (ii) in response to the letter objection [Docket No. 98] (the "Objection")[3] filed August 7, 2026 on behalf of Lin Liang ("Mr. Liang"). In support of this Reply, the Debtors respectfully submit the declaration of Michael DuFrayne (the "DuFrayne Declaration") annexed hereto as **Exhibit A** and the declaration of Jack Sitt ("Sitt Declaration") of Thor (the Staling Horse) annexed hereto as **Exhibit B**, which are fully incorporated by reference. In further support of this Reply, the Debtors respectfully state as follows:

PRELIMINARY STATEMENT

1. The only concrete relief requested in the Objection, namely an adjournment, is the one outcome that would harm the very creditors it purports to protect. He asks this Court to pause a value-maximizing sale process, yet he identifies no defect in the proposed Bidding Procedures and cites no authority or factual concern warranting delay. Approval

[2] Capitalized terms used but not defined herein have the meanings given to such terms in the Motion.
[3] The Objection was joined by Xian Xing Liu and Hua Yuan Chen [Docket No. 99], which raises no additional arguments.

of bidding procedures establishes the competitive process by which the value of the Debtors' assets will be tested; it decides nothing about any ultimate sale. The Objection does not challenge any bidding mechanic. Instead, it raises concerns about valuation, marketing, the stalking horse, and the disinterestedness of the Debtors' professionals, all of which go to the fairness of an eventual sale, not to the rules that will govern the auction. Mr. Liang supports his request for adjournment with neither evidence nor a single citation of law.

2. This is not a case in which adjournment merely risks the sale. Adjournment will *guarantee* the loss of value that the Debtors' proposed timeline delivers to creditors. The value of the Debtors' energy assets depends on time-sensitive AI/HPC computing demand, which fluctuates based on the unstable regulatory landscape. A substantial component of recoverable value depends on an option to purchase an adjacent parcel that expires September 30, 2026, with no possibility of extension.[4] The proposed timeline is calibrated to that deadline (culminating in a Sale Hearing no later than September 18) so that the estate can capture the value before it disappears. Adjourning approval of the Bidding Procedures cascades the delay through the entire timeline. Adjourning the Bidding Procedures will run out the clock on value that cannot be recovered.

3. On the other hand, approval of the proposed Bidding Procedures prejudices no party in interest. Nothing in the Motion or Bidding Procedures resolves the merits of any sale or forecloses any investigation into the matters referenced in the Objection. Every concern the Objection raises is preserved for its proper forum and its proper time. To allay

[4] *See* First Day Declaration (defined below) ¶ 61.

Mr. Liang's concerns, the Debtors agree that any objection of the committee[5] may be heard with respect to the Motion notwithstanding the passing of the objection deadline. Mr. Liang's remedy is participation; he may bid, seek a committee seat, and pursue discovery in the ordinary course. Delay means devastation for the value of the Debtors' estates and creditors' chances at substantial recovery.

BACKGROUND

4. On July 22, 2026 (the "Petition Date"), the Debtors each filed voluntary petitions for relief under chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the District of New Jersey (the "Court"), thereby commencing the above-captioned cases (these "Cases" or these "Chapter 11 Cases"). The Debtors continue to manage their assets as debtors in possession.

5. Additional factual background regarding the Debtors' current and historical business operations and the events leading to these Chapter 11 Cases is set forth in the *Declaration of Michael DuFrayne in Support of Debtors' Chapter 11 Petitions and First Day Motions* [ECF No. 2] (the "First Day Declaration"), which is incorporated by reference herein. In the First Day Declaration, Mr. DuFrayne details the robust pre-petition sale and marketing efforts led by him and his firm. First Day Declaration, ¶¶ 49-57. The Stalking Horse Purchasers were selected as offering the highest monetary consideration, not merely the "otherwise best" offers received to date. Since the Petition Date, the Debtors have received at least 10 additional executed nondisclosure agreements. See DuFrayne Declaration.

[5] The Committee is expected to be formed on August 10, 2026.

6. As more fully set forth in the First Day Declaration, the DuFrayne Declaration, and the *Debtors' Amended Application for Entry of an Order Authorizing the Employment and Retention of DuFrayne LLC as Crisis Managers and Michael DuFrayne as Chief Restructuring Officer Effective as of the Petition Date* [Docket No. 79] (the "CRO Application"), DuFrayne LLC and its professionals (including Michael DuFrayne) are independent crisis managers with no connection to the Debtors or their owners, directors, officers or managers prior to Mr. DuFrayne's engagement as CRO in November 2025.

7. On August 7, 2026, the Objection was filed on behalf of Mr. Liang.

8. For the reasons set forth below, the Objection should be overruled, and the Court should approve the proposed Bidding Procedures on the proposed timeline.

ARGUMENT

I. Approval of the Bidding Procedures Is Governed by the Debtors' Sound Business Judgment, and the Objection Offers No Evidence to Overcome It.

9. The relief the Debtors seek in their Motion is the approval of the proposed bidding procedures—the rules that will govern a competitive auction—not approval of any sale. Such relief is measured against an extremely deferential standard. A motion to sell, use, or lease estate property outside the ordinary course under section 363(b) is committed to the bankruptcy court's considerable discretion, and the debtor need only demonstrate a sound business purpose for the proposed action. *See In re Montgomery Ward Holding Corp.*, 242 B.R. 147, 152-53 (D. Del. 1999) (approving the debtors' KERP program under section 363(b) as a sound exercise of the debtors' business judgment); *In re Tower Air, Inc.*, 416 F.3d 229, 238 (3d Cir. 2005) ("Overcoming the presumptions of the business judgment rule on the merits is a near Herculean task."). The debtor is not required to prove

the ultimate merits of the transaction to obtain approval of the process by which value will be tested. *See In re Innkeepers USA Tr.*, 448 B.R. 131, 146-49 (Bankr. S.D.N.Y. 2011).

10. While the Debtors bear the burden of showing that the proposed procedures will benefit the estate, "an objectant is required to produce some evidence supporting its objections." *Montgomery Ward*, 242 B.R. at 155. The Debtors have readily met their burden pursuant to the First Day Declaration of the Debtors' CRO. Mr. Liang has produced none. The Objection rests entirely on supposition, allegations, and matters asserted "upon information and belief" and on the assertion that "the process raises more questions than answers." *See* Objection at 2. Speculation is not evidence, and it does not overcome the Debtors' business-judgment determination that a marketed auction is the best way to maximize value for the estate. Similarly, it does nothing to negate the time-critical nature of the sale.

11. This is not a case where a stalking horse has been permitted to dominate the Debtors' sale process. To the contrary, the Debtors have actively marketed their assets for months and have generated substantial interest from potential bidders. First Day Declaration, ¶¶ 49-56. Before the Petition Date alone, the Debtors entered into approximately 30 nondisclosure agreements, received five letters of intent, and received several additional indications of interest. *Id.* In the short time since the Petition Date, the Debtors have continued to engage with interested parties and have received additional signed NDA's and access agreements to conduct due diligence in the data room. Any concerns about whether the Stalking Horse Purchasers truly represent the best outcome for parties in interest will be resolved on the record with full transparency pursuant to the proposed Bidding Procedures.

12. The DuFrayne Declaration details the process pursuant to which the Debtors and their CRO vetted the potential stalking horse bidders. In total, five bidders were considered as potential stalking horses. The Debtors considered various factors in determining the highest and best stalking horse bid. Those factors included whether the bidder was offering to purchase the Tarbush and Pyote assets together and/or separately, the bidders' qualifications, not simply from a monetary standpoint but also from an ability to perform, and of course the bidders offering price for one or both sets of assets. See DuFrayne Declaration.

13. The Stalking Horse Bidder, Thor Calap LLC ("Thor") is a global real estate development, leasing, and management firm founded by Joseph J. Sitt in 1986. Headquartered in New York City with global offices including London, Paris, and Mexico City, the company manages a vast portfolio of retail, office, residential, life science, and logistics properties worth over $20 billion. Thor focuses on high-end retail, mixed-use, office, industrial, residential, hotel, and data center properties in major urban markets across the United States, Europe, Canada, and Latin America. Thor has substantial experience in the development of AI datacenter projects in Texas and other states. Id.

14. Thor is an arms-length buyer with no connection to the Debtors. Id., See, also, Sitt Declaration. Thor has provided the Debtors with credible proof that it can perform on its significant $52M bid for the subject assets.

15. The proposed Bidding Procedures do not hand the Stalking Horse a predetermined victory. The proposed Bidding Procedures are fairly standard, have been agreed to by the Office of the United States Trustee (with some minor revisions), and encourage rather than inhibit a meaningful opportunity for the market to test the existing

offers. Given the substantial interest already generated, the Debtors expect the auction to be an active and competitive process and not a mere formality. The Objection says *nothing* relevant to this process and is wholly insufficient in terms of the objector's evidentiary burden.

II. The Objection's Complaints Regarding Valuation, Marketing, and the Stalking Horse Are Premature and Are Reserved for the Sale Hearing.

16. Nearly every concern raised in the Objection, including that the valuation metrics are unexplained, that the marketing process and bidder identities are unclear, and that the stalking horse's selection and relationships are uncertain, is an attack on the fairness of an eventual *sale*, not on the *procedures* now before the Court. Those are different questions to be raised at different times. A sale procedures order is not even a final, appealable order until the sale order is entered, because the court must still determine at the later sale hearing whether a given bid is the highest and best, and the procedures order has no preclusive effect until the sale becomes final. *In re Reliant Energy Channelview, LP*, 397 B.R. 697, 700 (D. Del. 2008); *In re Integrated Res., Inc.*, 147 B.R. 650, 658-59 (S.D.N.Y. 1992) (distinguishing the section 363 duty to maximize price from *Revlon*-type auction duties, which attach only once an auction has begun).

17. The procedures here already build in the protection the Objection seeks: Paragraph 26 of the proposed bidding procedures order states,

> For the avoidance of doubt and notwithstanding anything to the contrary contained in this Order, this Order does not approve the Sale of the Assets under the Stalking Horse APA or authorize the consummation of the Sale, such approval and authorization (if any) to be considered only at the Sale Hearing and all rights of all parties in interest to object to such approval and authorization are reserved.

18. Mr. Liang will have a full and fair opportunity to press each of these concerns at the Sale Hearing, on an evidentiary record, if he so chooses. To the extent his

concern is the disinterestedness or qualification of the Debtors' restructuring officer, that issue is resolved on the retention application, not on an objection to bidding procedures. Whether any claim exists against third parties (such as the Debtors' principals) may be investigated by the committee or any other party in interest, at any time before or after the sale. Any rule 2004 or 9014 discovery pertinent to the sale (or any other claim) may be conducted after the Bidding Procedures are approved and is not grounds to postpone the same. Unlike the proposed sale, such matters are not time sensitive and none of it provides a logical reason to withhold approval of the procedures that will generate the very market test the Objection pretends to seek.

III. The Anticipated Formation of a Creditors' Committee Does Not Justify Delaying the Bidding Procedures.

19. Mr. Liang's request that the Court adjourn approval of the Bidding Procedures until a creditors' committee is formed misapprehends how a section 363(b) process functions. Formation of a committee is not a precondition to approving sale procedures and does not justify delaying a value-maximizing sale process, especially in cases such as this where time is of the essence. There is a fixed, concrete drop-dead date for an option contract that constitutes significant value.[6] See DuFrayne and Sitt Declarations.

20. Courts may approve section 363(b) sale processes on an expedited basis before an official committee has been formed because the constituents' interests are protected by notice and their objections are preserved for the sale hearing. In *Temtechco*, the court approved an expedited sale over a creditor's objection that the sale should be

[6] In any event, the Committee is expected to be constituted on August 10, 2026 and will have sufficient time prior to the hearing on the Motion on August 14, 2026 to raise any issues it has with the Motion.

stayed pending creation of an official committee, holding that "the formation of the Committee after the fact does not justify the failure to obtain …a stay [pending appeal]" where all committee principals had notice of the proposed sale. *See In re Temtechco, Inc.*, No. 95-00596, 1998 WL 887256 (Bankr. D. Del. Dec. 18, 1998) (noting that the bankruptcy court previously approved an expedited section 363(b) sale before any official committee had been formed because of the imminent risk of diminishing value of the assets; dismissing the committee's Rule 60(b) complaint to unwind a sale).

IV. A Threatened Chapter 11 Trustee Motion Carries No Weight and Would Not Halt the Sale in Any Event.

21. The Objection improperly incorporates by reference allegations in a document that did not exist at the time of filing the Objection (Liang's now filed Chapter 11 Trustee Motion). Nevertheless, appointment of a chapter 11 trustee requires proof by clear and convincing evidence and should be the exception, rather than the rule, reflecting a strong presumption that the debtor remains in possession. *In re G-I Holdings, Inc.*, 295 B.R. 502, 509-11 (D.N.J. 2003), aff'd, 385 F.3d 313 (3d Cir. 2004) (affirming denial of the appointment of a trustee where the movant failed to prove the need for a trustee by clear and convincing evidence and the reorganization had not reached the "last resort" point at which appointment of a trustee becomes necessary). "[U]nproven allegations" of insider fraud and self-dealing are insufficient, and any such allegations may be "test[ed] and ultimately resolve[d] …in the other pending proceedings." *Id.* at 510-11. Any evidence to support a chapter 11 trustee motion must be clear and convincing and speak to the fitness of the debtor-in-possession to run the estate *going forward, independent of* any allegations of prior misconduct.

22. Here, the fully independent CRO has been in place since late 2025. In that time through the Petition Date, Mr. DuFrayne has (i) assisted the Debtors in achieving positive cash flow and profitability, (ii) worked tirelessly for months to obtain a significant stalking horse bid for substantially all of the Debtors' assets, and (iii) worked with the Debtors' CFO to update the Debtors' books and records, including those of Poolin whose financial records were seized and/or destroyed by the Chinese Government in 2021 when crypto-related businesses were suddenly banned in China. DuFrayne Declaration. The CRO, with the assistance of the other estate professionals, is best equipped to shepherd the Debtors through the 363(b) sale process and no amount of discovery will uncover evidence that DuFrayne LLC and its professionals have a conflict of interest. Mr. DuFrayne and his company, DuFrayne LLC, have no prior connection with the Debtors or its management. See DuFrayne Declaration.

23. On its face, the Objection presents only vague conjecture on pre-petition misconduct and lacks evidence on every issue, including appointment of a trustee and the Debtors' business judgment with respect to the proposed Bidding Procedures. At this stage, the Objection and threatened chapter 11 trustee relief appear to be the familiar case of a disgruntled creditor throwing mud against the wall and seeing what might stick rather than actually addressing the issue at hand: namely whether the proposed Bidding Procedures on their face are reasonably designed to generate the highest value for creditors.

24. The Debtors, with input of the Committee will, of course, faithfully discharge their duty to investigate and pursue any claims against third parties. Such claims are not time sensitive and may occur any time after a sale. If it was not already abundantly clear that causes of action are not part of the proposed sale, the Debtors have filed the

remaining schedules to the Stalking Horse APAs which expressly exclude from the sale all causes of action, including avoidance actions and bankruptcy claims under Chapter 5. *See* Amended Exhibits [Docket No. 100], Exhibit C [Excluded Assets].

25. At minimum, the disposition of a chapter 11 trustee motion would be quite time consuming and costly to the Debtors' estates and its creditors, including Mr. Liang, and involve considerable discovery and litigation. In the meantime, the Debtors' estates and creditors will lose millions in value if the proposed sale is not conducted posthaste. See DuFrayne Declaration on loss of value to the estate if the Bid Procedures are not approved and the sale timeline does not move forward to allow a buyer to exercise the Option on the Adjacent Property.

26. Even if the chapter 11 trustee motion had merit (which it does not), the unproven allegations of the kind the Objection previews neither require appointment of a trustee nor justify staying the sale process while one is litigated. *See In re Adelphia Commc'ns Corp.*, 336 B.R. 610 (Bankr. S.D.N.Y. 2006) (denying motion to appoint a Chapter 11 trustee and treating, as one of several business considerations under § 1104(a)(2), that appointing a trustee "would present a significant obstacle to the consummation of the [pending] sale in the timeline contemplated by the Purchase Agreements"); *cf. In re Circulatory Centers of Am., LLC*, 579 B.R. 752 (Bankr. W.D. Pa. 2017) (appointing a Chapter 11 trustee where, unlike the present case, the debtors' management obstructed rather than encouraged the sale process and, in derogation of its fiduciary duties, refused to accept higher offers resulting in loss of value due to the delay).

V. Adjournment Would Senselessly Squander Estate Value Because the Sale Is Time-Sensitive.

27. Faced with facts bearing on the time-sensitivity of a sale, courts consistently hold that the risk of value dissipation justifies proceeding with a section 363 sale and refuse delay. In *Temtechco,* uncontradicted evidence that failure to expedite the sale would erode value through loss of vendor, customer, and employee confidence supported the expedited sale. *Temtechco,* 1998 WL 887256, at *12 (expedited sale justified where delay would erode value through loss of vendor, customer, and employee confidence); *see also In re Trans World Airlines, Inc.*, No. 01-00056(PJW), 2001 WL 1820326 (Bankr. D. Del. Apr. 2, 2001) (finding delay in the sale would lead to a "precipitous decline" in the debtors' financial affairs and result in loss of enterprise value; denying stay pending appeal on grounds that it would have the same effect); *In re Nine Point Energy Holdings, Inc.*, No. 21-10570 at *7 (MFW), 2021 WL 3410242 (D. Del. Aug. 4, 2021**)** (denying even a short stay of a section 363 sale stating "a swift exit or resolution of the case is necessary to preserve the business" and that the harm of delay to the debtors, employees, and creditors "far outweigh[ed]" any risk to the objector). Likewise, discovery into any pre-petition claims is wholly unrelated to the sale process and may be brought at any time before or after the sale. The completion of a sale does not prejudice any rights of parties-in-interest in this regard.

28. Conversely, delay would affirmatively destroy value, which is a compelling reason to approve the Bidding Procedures notwithstanding anything in the Objection. The Objection states nothing that overrides the time-sensitive nature of the proposed sale timeline. On the other hand, the record already reflects significant sources of time pressure. The value of the Debtors' energy-capable assets turns on potentially fleeting market conditions. As set forth in the First Day Declaration, a "seismic shift" in AI/HPC computing demand is what makes these assets valuable, and that demand is being targeted

now. First Day Declaration, ¶ 61. Increasing political pressure and a changing regulatory landscape concerning AI datacenters could eviscerate the value of the Debtors' power assets. Most acutely, a substantial component of the value available to the estate comes from an option to purchase the Adjacent Property at a very favorable price that expires September 30, 2026, with no possibility of extension. See DuFrayne Declaration. The proposed Sale Timeline is calibrated to that deadline precisely so that the estate can capture the option's value before it lapses. Any adjournment of the Bidding Procedures cascades through the bid, auction, and sale-hearing dates and threatens to push the transaction past that hard expiry, extinguishing value that cannot be recovered.

VI. The Debtors' Noticing Procedures Are Adequate, and the Absence of Complete Schedules Does Not Bar the Bidding Procedures.

29. Finally, Mr. Liang's suggestion that the process should be delayed because some creditors may not yet have received notice, and because the Debtors have not yet filed complete schedules or a statement of financial affairs, does not withstand scrutiny. *See* Objection at 3. The Bidding Procedures Motion sets out Noticing Procedures that the Debtors submit are adequate and reasonable under the circumstances, and that comply with Bankruptcy Rules, Local Rules, and the noticing procedures approved by this Court. *See* Chapter 11 Complex Case Management Order [Docket No. 49]. The Debtors' schedules and statements of financial affairs will be filed well before the sale hearing. The filing thereof is simply not a condition of approval of sale procedures or relevant to the inquiry of whether the sale procedures themselves are fair and reasonable. Any questions or issues presented by the Debtors' schedules and statements of financial affairs relevant to the sale are preserved for the final sale hearing.

CONCLUSION

30. For the foregoing reasons, the Debtors respectfully request that the Court overrule the Objection and approve the Bidding Procedures Motion on the proposed timeline. Approving the Bidding Procedures decides nothing about the ultimate sale; it establishes the competitive process by which the value of the Debtors' assets will be tested for the benefit of all creditors. Mr. Liang's concerns regarding valuation, marketing, the stalking horse, and the conduct of the Debtors' professionals are fully preserved for the Sale Hearing. What the estate cannot afford is delay, which would squander value that a prompt, publicly marketed auction is designed to capture. The Debtors respectfully request that the Court overrule the Objection, approve the Bidding Procedures, and grant such other and further relief as is just and proper.

Dated: August 10, 2026

ARCHER & GREINER, P.C.

/s/ Stephen M. Packman

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EXHIBIT A

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-1(b)

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In re: POOLIN TECHNOLOGY PTE. LTD., *et al.*[1] Debtors.	Chapter 11 Case No. 26-18325 (EJO) (Jointly Administered) Judge: Eamonn J. O'Hagan

DECLARATION OF MICHAEL DUFRAYNE IN SUPPORT OF DEBTORS' MOTION FOR APPROVAL OF BID PROCEDURES AND IN RESPONSE TO THE OBJECTION OF LIN LIANG

Michael DuFrayne, being of full age, hereby declares the following pursuant to 28 U.S.C. § 1746 under penalty of perjury:

[1] The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtors' federal tax identification number, are: Poolin Technology Pte. Ltd., a Singapore Private Limited Company; Lonestar Dream Inc. (5105); and Lonestar Taproot LLC (4118). The location of the Debtors' service address for purposes of these Chapter 11 Cases is: c/o Michael DuFrayne, CRO, 2564 US Highway 1, PMB #16884166, Lawrence, NJ 08648.

1. I am the Chief Restructuring Officer ("CRO") of Poolin Technology Pte. Ltd. ("Poolin") and its affiliated debtors and debtors-in-possession: Lonestar Dream Inc. ("LSD"); and Lonestar Taproot, LLC ("LST" and collectively, the "Debtors").

2. I am over the age of 18 years and authorized to submit this declaration (this "Declaration") on behalf of the Debtors. Except as otherwise noted, the matters set forth herein are made of my own personal knowledge and, if called and sworn as a witness, I could and would testify competently thereto.

3. I submit this Declaration in support of (i) the *Debtors' Amended Motion for Entry of (I) an Order (A) Approving Certain Bidding Procedures and the Form and Manner of Notice Thereof, (B) Authorizing the Debtors to Designate the Stalking Horse Bidder, (C) Scheduling an Auction and a Hearing on the Approval of the Sale of Substantially All of the Debtors' Assets, (D) Authorizing the Debtors to Enter Into the Purchase Agreements, (E) Establishing Certain Assumption and Assignment Procedures and Approving the Manner of Notice Thereof, and (F) Granting Related Relief; and (II) an Order (A) Authorizing the Sale of Substantially All of the Debtors' Assets Free and Clear of Encumbrances, (B) Approving the Assumption and Assignment of the Potentially Assigned Contracts, and (C) Granting Related Relief* [Docket No. 30] (the "Motion")[2] and (ii) the Debtors' Reply to the letter objection [Docket No. 98] (the "Objection")[3] filed August 7, 2026 on behalf of Lin Liang ("Mr. Liang").

4. I was first engaged as the Debtors' Chief Restructuring Officer in November 2025. Neither I, nor my firm, DuFrayne LLC, nor any of its professionals had any

[2] Capitalized terms used but not defined herein have the meanings given to such terms in the Motion.
[3] The Objection was joined by Xian Xing Liu and Hua Yuan Chen [Docket No. 99], which raises no additional arguments.

involvement or connection with the Debtors or their owners, directors, officers or managers prior to my engagement as CRO. DuFrayne LLC and its professionals are independent crisis managers.

5. As more fully set forth in my *Declaration in Support of Debtors' Chapter 11 Petitions and First Day Motions* [ECF No. 2] (the "First Day Declaration"), which I incorporate by reference herein, prior to the Petition Date, in or around December 11, 2026, the Debtors' management, consisting of Kevin Pan, CEO, Kathy Zhang, COO and Pei Hsuan Chiu, CFO, determined that the best course of action to minimize continuing losses of the Debtors' operations (hosting of crypto mining) was to find a buyer for the Debtors' assets.

6. Accordingly, under my guidance as CRO, the Debtors began the process of identifying opportunities to find a buyer for the Debtors (LSD and LST) mining campuses and energy assets ("Assets").

7. Subsequently, it became apparent to the Debtors' management that they would have to (i) negotiate a structured settlement with Elektron Energy, the Debtors' sole customer, and (ii) wind down operations. The Debtors have achieved these objectives as set forth in my First Day Declaration, in the 9019 settlement agreement with Elektron and in the Motion.

8. As detailed in the First Day Declaration, prior to the Petition Date, the Debtors entered into nondisclosure agreements with approximately 30 prospective buyers, received five letters of intent for purchase of the Assets, either in whole or in part, and received additional indications of interest. First Day Declaration, ¶¶ 49-56.

9. Under my guidance, the Debtors vetted potential stalking horse bidders. In determining the highest and best stalking horse bid, the Debtors considered various factors, including whether the bidder was offering to purchase the Tarbush and Pyote assets together and/or separately; the bidder's qualifications, evaluated not merely from a monetary standpoint but also from the standpoint of each bidders ability to perform and qualify; and the bidder's offering price for one or both sets of the Assets.

10. The Debtors selected Thor Calap LLP ("Thor Calap") as the "Stalking Horse" because it satisfied all of the foregoing factors considered. Thor Calap is, to my knowledge, and based on its representations to the Debtors, a good faith, arms-length Stalking Horse buyer of the Assets.

11. Thor Calap has provided the Debtors with credible proof in the form of an account statement substantiating that it has the financial wherewithal to perform on its $52 million bid for the Assets. Thor Equity, an affiliate of Thor Calap, has substantial experience in acquiring and developing digital infrastructure projects, including in Texas. Thor Equity is an asset backed fund with resources exceeding $20 billion dollars.

12. Since my engagement in November 2025 through the Petition Date, I have, among other things: (i) assisted the Debtors in achieving positive cash flow and profitability[4]; (ii) worked to obtain a significant stalking horse bid for substantially all of the Debtors' assets; and (iii) worked with the Debtors' Chief Financial Officer to update the Debtors' books and records, including reconstructing those of Poolin, whose financial

[4] In the years prior to my engagement as CRO, the Debtor sustained substantial losses. From January of 2026 through June 2026, under my guidance as CRO and implementation of cost savings and revenue maximizing measures, the Debtors, LSD and LST, were cash flow positive and achieved a cumulative EBITDA profit for the subject time period in excess of approximately $700,000.

records were destroyed and/or seized by the Chinese Government in 2021 when crypto-related businesses were suddenly banned in China.

13. Since the Petition Date, the Debtors have continued to market their assets and engage with interested buyers. The Debtors have received numerous additional expressions of interest and entered into approximately 10 additional signed nondisclosure and access agreements and supporting statements of qualifications

14. As result of the overall interest of buyers in the Assets, the Debtors expect an active auction.

15. The value of the Debtors' energy-capable assets depends on time-sensitive demand for artificial intelligence and high-performance computing, as further described in the First Day Declaration.

16. Accordingly, a key component of the Stalking Horse's bid is to assume LSD's energy contract rights with TNMP, including LSD's current position in the "queue" pursuant to which LSD is scheduled in the near future to receive an increase of power to 176MW (associated with Tarbush) and a potential further increase of electric power in the future of up to 300MW.

17. When it became apparent to the Debtors that they would be unable to remain at the Tarbush site under the Term Surface Use Agreement with DBR Land, LLC ("DBR")[5], the Debtors authorized me as CRO to settle matters with DBR[6] and work with

[5] AI data center and other digital infrastructure buyers were mostly interested in significantly more land than that offered by the Tarbush leased land with DBR.

[6] The Debtors are in the process of negotiating a settlement with DBR which will be memorialized in a 9019 settlement agreement to be presented to the Court for approval.

a Texas "landman" to acquire an option to purchase land within a five-mile radius of the Tarbush site.[7]

18. Through my efforts working with the landman and counsel, the Debtors have received a written assignment of an option agreement ("Option Agreement") whereby the Stalking Horse may assume the assignment agreement and rights under the corresponding Option Agreement, then exercise the Option Agreement and purchase what has been deemed the "Adjacent Property" in the Tarbush APA at a favorable price.[8]

19. The Option Agreement expires on September 30, 2026 ("Option Expiration Date"), with **no possibility of extension**. *See* Amended Exhibits [Docket No. 100], Exhibit B [Assumed Contracts (Tarbush APA)].[9]

20. The proposed sale timeline in the Bid Procedures (and Tarbush APA) is tied directly to the Option Expiration Date.

21. The Debtors and Stalking Horse have agreed to push the sale confirmation hearing date from September 16th to September 18th, assuming the Court's availability, leaving only 12 days for the successful buyer to exercise the option.

22. Any material delay of the subject timeline will likely cause the Debtors to lose the option for the Adjacent Land, thereby causing the Debtors irreparable damage by extinguishing millions of dollars of value that cannot be recovered.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the above information is true and correct to the best of my knowledge, information, and belief.

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[7] In order to transfer power from Tarbush to a new site, TNMP requires the new connection site to be no further than five miles from the connection location at the Tarbush site.

[8] The Adjacent Property is over 600 acres of vacant land which houses a TNMP substation and is acceptable to TNMP for the transfer of LSD's power rights.

[9] The Seller of the Adjacent Property **will not agree** to an extension of the Option Agreement. Additionally, under the Option Agreement, the sale of the Adjacent Property must close by November 30, 2026.

Dated: August 10, 2026

/s/Michael DuFrayne
Michael DuFrayne
Chief Restructuring Officer

232546212 v1

EXHIBIT B

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-1(b)

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In re: POOLIN TECHNOLOGY PTE. LTD., *et al.*[1] Debtors.	Chapter 11 Case No. 26-18325 (EJO) (Jointly Administered) Judge: Eamonn J. O'Hagan **Hearing Date: August 14, 2026**

DECLARATION OF JACK SITT ON BEHALF OF THOR CALAP LLC IN SUPPORT OF DEBTORS' MOTION FOR APPROVAL OF BID PROCEDURES

Jack Sitt, being of full age, hereby declares the following pursuant to 28 U.S.C. § 1746 under penalty of perjury:

1. I am an Executive Vice President of Thor Equities LLC ("Thor Equities") and manage Thor Equities' digital infrastructure business operations, including those of Thor Calap LLC ("Thor Calap"). I submit this Declaration on behalf of Thor Calap, the

[1] The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtors' federal tax identification number, are: Poolin Technology Pte. Ltd., a Singapore Private Limited Company; Lonestar Dream Inc. (5105); and Lonestar Taproot LLC (4118). The location of the Debtors' service address for purposes of these Chapter 11 Cases is: c/o Michael DuFrayne, CRO, 2564 US Highway 1, PMB #16884166, Lawrence, NJ 08648.

Stalking Horse purchaser ("Stalking Horse") in the above captioned Cases. Thor Calap is an affiliate of Thor Equities and I am a Vice President of Thor Calap.

2. I am over the age of 18 years and authorized to submit this Declaration on behalf of Thor Calap. Except as otherwise noted, the matters set forth herein are made of my own personal knowledge and, if called and sworn as a witness, I could and would testify competently thereto.

3. I submit this declaration (this "Declaration") in support of the *Debtors' Amended Motion for Entry of (I) an Order (A) Approving Certain Bidding Procedures and the Form and Manner of Notice Thereof, (B) Authorizing the Debtors to Designate the Stalking Horse Bidder, (C) Scheduling an Auction and a Hearing on the Approval of the Sale of Substantially All of the Debtors' Assets, (D) Authorizing the Debtors to Enter Into the Purchase Agreements, (E) Establishing Certain Assumption and Assignment Procedures and Approving the Manner of Notice Thereof, and (F) Granting Related Relief; and (II) an Order (A) Authorizing the Sale of Substantially All of the Debtors' Assets Free and Clear of Encumbrances, (B) Approving the Assumption and Assignment of the Potentially Assigned Contracts, and (C) Granting Related Relief* [Docket No. 30] (the "Motion")[2] and the Debtors' Reply to the letter objection [Docket No. 98] (the "Objection")[3] filed August 7, 2026 on behalf of Lin Liang ("Mr. Liang").

4. Thor Equities is a global real estate development, leasing, and management firm founded by Joseph J. Sitt in 1986. Thor Equities is headquartered in New York City and maintains global offices, including in London, Paris, and Mexico City. Thor Equities

[2] Capitalized terms used but not defined herein have the meanings given to such terms in the Motion.
[3] The Objection was joined by Xian Xing Liu and Hua Yuan Chen [Docket No. 99], which raises no additional arguments.

manages a portfolio of retail, office, residential, industrial, hotel, data center, life science, and logistics properties worth over $20 billion.

5. Thor Equities focuses on high-end retail, mixed-use, office, industrial, residential, and data center properties in major markets across the United States, Europe, Canada, and Latin America. Thor Equities has substantial experience in the acquisition and development of data center projects in the United States and Europe

6. Thor Calap has submitted a bid of $52 million for the Debtors' assets associated with the Pyote and Tarbush data sites ("Assets").

7. Thor Calap has reviewed the proposed bid procedures and related proposed bid procedures order ("Bid Procedures") and finds them acceptable.

8. Thor Calap is an arms-length, good faith buyer of the Assets. Neither Thor Equities, Thor Calap, nor, to my knowledge, any related parents, subsidiaries or affiliates has (or previously had) any connection with the Debtors or their owners, officers, directors or management.

9. Thor Calap has the financial wherewithal to consummate its $52 million bid as the Stalking Horse for the Assets. Thor Calap has provided the Debtors with credible proof of its ability to perform, in the form of an account statement reflecting available cash to close; and Thor Calap stands ready to close the proposed transactions for the Assets pursuant to the APAs, in accordance with the terms thereof.

10. Provided the conditions to closing under the APAs are satisfied, including but not limited to the Debtor's assumption and assignment to Thor Calap or its assignee, of the Amended Option Agreement ("Option") as to the Adjacent Property (as defined in the Tarbush APA), in sufficient time for Thor Calap or its designee to exercise the Option

by September 30, 2026, Thor Calap is prepared to proceed as the Stalking Horse and to consummate the proposed transactions on the timeline set forth in the Motion, Bid Procedures and APAs.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the above information is true and correct to the best of my knowledge, information, and belief.

Dated: August 10, 2026

/s/ Jack Sitt
Name: Jack Sitt
Title: Vice President of Thor Calap LLC