MIDDLEBROOKS SHAPIRO, P.C.
P.O. Box 1630
Belmar, New Jersey 07719-1630
(973) 218-6877
(973) 218-6878 (fax)
Joseph M. Shapiro, Esq.
jshapiro@middlebrooksshapiro.com
Counsel to Abbauer Industries, LLC

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

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

OBJECTION TO PROPOSED SALE

Abbauer Industries, LLC ("AI"), by and through its undersigned counsel Middlebrooks Shapiro, P.C., respectfully submits this Objection to Proposed Sale, and states as follows:

Summary

AI is a party-in-interest, a potential bidder, and a notice party with direct expertise in the development of Artificial Intelligence and High-Performance Computing (AI/HPC) sites. AI's principals have developed six (6) sites in West Texas — similar to the Tarbush Site — totaling 1,137 megawatts (MW) of transmission and distribution capacity and which have originated 2,300 MW of powered land and generation for AI/HPC data center developers. AI's principals have also collectively worked on creditor recoveries in the Celsius, Core Scientific, Rhodium, Movement, Voyager, FTX, and Three Arrows cases, and developed the Cedarvale site in West Texas that

[1] The debtors in these jointly administered Chapter 11 Cases are: Poolin Technology Pte. Ltd.; Lonestar Dream Inc. ("LSD"); and Lonestar Taproot LLC ("LST") (collectively, the "Debtors"). Michael DuFrayne is the Debtors' Chief Restructuring Officer ("DuFrayne" or the "CRO"). The CRO is the principal of DuFrayne LLC ("DL").

serves as the comparable at the center of AI's valuation of the estate's Assets and an analogue to AI's plan outlined below.

AI advocates for a process that realizes the true value of the Assets (rather than their distressed cash price) for the benefit of the creditors, the estate, and the Debtors. In this regard, AI submits that the Bidding Procedures currently in place have failed. Those Procedures were calibrated on a ~$52M stalking horse offer[2] obtained through a marketing process that began when the Assets' power position was materially more uncertain. The stalking horse was selected in the context of a substantially smaller and more uncertain asset than the Assets being sold, and the Procedures built around the stalking horse were never properly recalibrated. Those Procedures precluded AI (and other similarly situated bidders) from submitting Qualified Bids by September 8th because, *inter alia*, key elements of diligence related to the Assets' power position arrived only one (1) business day before the Bid Deadline. That key diligence transformed the Assets from high-risk distressed assets worth ~$52 million (under the stalking horse bid) into high-quality assets worth hundreds of millions of dollars.

At this point, it should be crystal clear to the Court and to all parties that the Assets have a sale value of <u>hundreds of millions of dollars</u>. The interconnections are worth approximately $500k to $1M+ per MW, based on latest diligence, translating to $177M to $354M for just the power rights alone. However, it should also be made clear that the Assets can generate <u>billions of dollars</u> (between approximately $2B - $4B) in potential enterprise value (EV) for the estate under the plan outlined herein.

To that end, AI offers its predevelopment services expertise — on a cash-compensation basis, with no equity participation, and no contingency — enabling the estate to preserve,

[2] Collectively, the Tarbush APA proposes $37,000,000.00 and the Pyote APA proposes $15,000,000.00.

maximize, and realize this value. AI can immediately deliver a debtor-in-possession financing (DIP financing) term sheet on competitive terms in the principal amount of approximately $20 million. This financing is more than sufficient for the Debtors to both exercise and close on the Amended Option Agreement for the Adjacent Property — well in advance of respective September 30, 2026 and November 30, 2026 deadlines — while leaving funds available for case administration. This financing will remove the asserted time constraints that are driving the current Bidding Procedures and are unnecessarily suppressing the value of the Assets.

Accordingly, by way of this Objection, AI respectfully submits that the Debtors should immediately take the following actions:

(i) adjourn the Sale hearing;

(ii) amend the Bidding Procedures to permit non-cash consideration, contingent bids, and plan-based proposals;

(iii) engage AI for pre-development services described below to preserve and maximize the value of the Assets pending disposition through a sale, plan, or other alternative;

(iv) work with AI to secure DIP financing sufficient for the Debtors to exercise and close on the Amended Option Agreement for the Adjacent Property and to fund case administration, and seek this Court's approval for the same; and

(v) defer disposition of the Assets, or a plan of reorganization modeled on Ionic Digital's Cedarvale transaction, until the claims bar date has passed so that the Debtors and the Unsecured Creditors Committee (UCC) can evaluate these alternatives against the claims with the assistance of AI.

AI further respectfully submits that, should the Debtors fail or refuse to take the foregoing action, the Court should exercise its equitable powers to preserve and maximize the value of the Assets as set forth herein.

Relevant Background

As set forth in the *Declaration of Michael DuFrayne in Support of Debtors' Chapter 11 Petitions and First Day Motions* [Docket No. 2] (the "First Day Declaration"), Poolin is a

Singapore private limited company, and LSD and LST are Delaware entities. The Debtors have no operations; mining ceased at both Sites on July 10, 2026. *Id.* Kevin Pan owns Poolin and LSD; LSD, in turn, owns LST. *Id.* Kevin Pan is the sole director of LSD. Kevin Pan is also the sole director of LST, which is owned by LSD. *Id.* Kevin Pan, therefore, owns and/or controls the Debtors.

Prepetition, the Debtors engaged DL — the firm of the Debtors' CRO — to find investors, lenders or a buyer for the assets of LSD and LST. *Id.* Pre-Petition, DL conducted a "three plus month" marketing process. *Id.* On July 13, 2026, LSD and LST signed letters of intent effective as of July 10, 2026 with Thor CALAP LLC ("Thor" or the "Stalking Horse") for the Pyote assets and for the Tarbush power rights, equipment and related assets. *Id.*

LSD's operations were conducted at two (2) West Texas locations: the "Pyote Site", originally 86.5 acres in Ward County, owned by LST and later reduced by approximately 62.5 acres deeded back to Priority Power Management; and the "Tarbush Site", a 64-acre site in Pecos County. The Debtors do not own the Tarbush Site; they occupy it under a Surface Use Agreement with DBR Land LLC ("DBR") effective January 1, 2022, amended in August 2024 (as amended, the "TSUA").

On May 18, 2026, DBR commenced suit against LSD and LST in the 112th District Court of Pecos County, Texas. DBR asserted that the TSUA automatically terminated on or about October 31, 2024 for nonpayment of hosting royalties, and that all property remaining on the land one hundred and eighty (180) days thereafter — including the substation at Tarbush — became DBR's property as of April 29, 2025 (the "DBR Dispute"). The DBR Dispute was not resolved until after the Petition Date, on August 27, 2026, when the Court entered the Stipulation and

Agreed Order — ten (10) days after entry of the Bid Procedures Order and twelve (12) days before the Bid Deadline. [Docket No. 190].

Pre-Petition, LSD and LST, through broker Manning Minerals, LLC, obtained an option to purchase from an individual, Jeffrey Lindsay, approximately 600 acres vacant land that houses a Texas-New Mexico Power (TNMP) substation adjacent to the leased 64-acre Tarbush Site, *i.e.*, parcels identified as Reeves County Parcel ID 0014468 and Pecos County Parcel ID 00049-08031-00100-000000 (the "Adjacent Property"). Sale of the Adjacent Property will permit power-transfer requirements to be met in anticipation of power increases to the Tarbush Site via LSD's energy contract rights with TNMP, which increases can support AI/HPC.

On June 11, 2026, LSD and LST entered into an Option Assignment Agreement with Manning Minerals, LLC, which was subsequently amended on July 1, 2026, with respect to the Adjacent Property (as amended, the "Option Agreement").

On June 25, 2026, AI was introduced to representatives of the Debtors. *See* Certification of Noah Cawley in support of the instant Objection (the "Cawley Certification").

On June 29, 2026, AI executed a Confidentiality and Non-Disclosure Agreement in connection with the Debtors' marketing of the Assets and was granted access to a data room on July 2, 2026. *Id.*

On July 13, 2026, AI was notified of the CRO's selection of the Stalking Horse and the CRO removed AI's access to the data room. *Id.*

On July 22, 2026 (the "Petition Date"), the Debtors each filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. These cases are jointly administered [Docket No. 48] and proceeding pursuant to this Court's Chapter 11 Complex Case Management Order entered on July 27, 2026. [Docket No. 49]. The Debtors' prepetition capital structure is almost entirely

comprised of unsecured holders of Poolin Wallet "IOUs", which the Debtors place at $163,723,500, together with approximately $4.47 million of other unsecured debt, a $4.26 million shareholder loan, and approximately $450,000 of trade debt.

On July 22, 2026, the Debtors filed a motion to approve bidding procedures and for related relief [Docket No. 12] and, on July 23, 2026, the Debtors filed an amended version of the motion [Docket No. 30] (as amended, the "Motion to Approve Bidding Procedures").

On August 7, 2026, an Objection to the Motion to Approve Bidding Procedures was filed on behalf of creditor Lin Liang seeking adjournment of the Bidding Procedures Motion until after appointment of a creditors' committee and raising concerns as to valuation, the adequacy of the marketing process, the selection of the stalking horse, and the disinterestedness of the Debtors' professionals [Docket No. 98] (the "Liang Objection").

On August 7, 2026, a Joinder and Reservation of Rights in connection with the Liang Objection was filed on behalf of creditors Xian Xing Liu and Hua Yuan Chen [Docket No. 99] (the "Liu/Chen Joinder").

On August 8, 2026, amended exhibits to the Pyote and Tarbush Asset Purchase Agreements were filed on behalf of Debtors. [Docket No. 100]. Tarbush "Exhibit B" lists three (3) assumed contracts, the third of which is an "Option Assignment Agreement dated June 11, 2026, between Lonestar Dream, Inc and Lonestar Taproot LLC and Manning Minerals, LLC as subsequently amended pursuant to that certain Amendment to Option Assignment Agreement dated July 1, 2026." *Id.*

On August 10, 2026, a motion to appoint trustee was filed on behalf of creditor Lin Liang [Docket No. 103] (the "Motion to Appoint Trustee").

On August 10, 2025, a response to the Liang Objection was filed on behalf of the Debtors in connection with the Motion to Approve Bidding Procedures [Docket No. 105] (the "Debtors' Response") arguing:

> 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.
>
> 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]

Id. Footnote no. 4 states "See First Day Declaration (defined below) ¶ 61." Footnote no. 9 states "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." *Id.* The related *Declaration of Jack Sitt on Behalf of Thor Calap LLC in Support of Debtors' Motion for Approval of Bid Procedures* (Docket No. 105-2) states:

> 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.

Id.

On August 12, 2026, the Official Committee of Unsecured Creditors (the "UCC") was appointed (two (2) days before the hearing on the Bidding Procedures Motion) [Docket No. 112], and UCC counsel was retained effective as of August 13, 2026 (by order entered September 9, 2026). [Docket Nos. 179 and 209].

On August 13, 2026, a Declaration of the CRO was filed in connection with the entry of the proposed Stipulation and Agreed Order. [Docket No. 118].

On August 14, 2026, a Motion to Approve Compromise with respect to the DBR Dispute was filed with the Court. [Docket No. 129].

On August 17, 2026, an Order approving the Bidding Procedures Motion was entered by the Court [Docket No. 138] (the "Bidding Procedures Order") which set relevant procedures (the "Bidding Procedures") and the following dates and deadlines:

- August 27, 2026 - deadline for submitting nonbinding indications of interest (IOI) to the counsel for the Debtors for the Assets (the "IOI Deadline");
- September 8, 2026 - deadline for all Potential Bidders to submit a Qualified Bid (the "Bid Deadline");
- September 10, 2026 – auction (the "Auction");
- September 11, 2026 – notice of winning bidder (the "Winning Bidder Deadline");
- September 16, 2026 – deadline to object to the Sale (the "Objection Deadline");
- September 18, 2026 – hearing on the Sale (the "Sale Hearing").

On August 19, 2026, the Debtors filed a *Notice of Sale by Auction and Sale Hearing* with the Court [Docket No. 148] (the "Sale Notice").

On August 19, 2026, the Debtors filed a *Notice of Cure Amount and Potential Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection with Sale of Substantially All Assets* with the Court [Docket No. 149] (the "Assumption Notice").

On August 27, 2026, AI submitted its indication of interest (IOI) to the CRO. *See* Cawley Certification.

On August 27, 2026, this Court entered a Stipulation and Agreed Order with DBR Land LLC ("DBR") related to the Amended Bidding Procedures Motion [Docket No. 190] (the "DBR Settlement") resolving the DBR Dispute only ten (10) days after entry of the Bid Procedures Order and twelve (12) days before the Bid Deadline. Under the DBR Settlement, the Debtors agree that DBR shall receive payment of the sum of $1.5M, if not sooner paid, from the sale proceeds or other funds at closing of the Tarbush sale (the "DBR Settlement Payment"). Further, "[i]n the event that the Tarbush sale has not closed by November 30, 2026, and the Settlement Payment has not been otherwise paid to DBR, the Debtors shall have the right to make the Settlement Payment independent of a closing on November 30, 2026, subject to the same terms of this Order." *Id.*

On August 28, 2026, AI's access to the data room was restored. *See* Cawley Certification.

On September 3, 2026, a *Notice of Proposed Order Approving Sale* was filed with the Court on behalf of the Debtors, and a proposed sale order was annexed to the same (the "proposed Sale Order"). [Docket No. 199].

On September 4, 2026, Poolin filed the balance of its petition and schedules with the Court [Docket No. 202], and on the same day, September 4, 2026, certain key diligence was uploaded to the data room. *See* Cawley Certification. These events occurred only four (4) days before the Bid Deadline and six (6) days before the Auction.

September 5th to September 7th was Labor Day weekend and, on Tuesday, September 8, 2026, which was the Bid Deadline, certain key diligence was uploaded to the data room. *See* Cawley Certification.

On September 10, 2026, it appears that the Auction was conducted.

On September 11, 2026, a Notice of Winning Bidder was to be filed with the Court by the Debtors; as of the date of this Objection, no Notice has been filed by Debtors.

Objections

Approval of the Proposed Sale Is No Longer Warranted Under Section 363 Based on Changed Circumstances and Irregularities in the Sale Process

AI respectfully submits that the evidence before this Court no longer supports a finding that the Bidding Procedures were designed to facilitate a competitive bidding process, promote transparency, good faith, and fairness throughout the entire sale process. The proposed Sale of the Assets pursuant to the Bidding Procedures is therefore not the best opportunity to realize the maximum value of the Assets and will not provide a greater recovery for the Debtors' estates and their creditors than would be provided by any alternative. The alternatives outlined by AI herein will each realize the maximum value of the Assets and a greater recovery.

While Debtors may have initially demonstrated compelling and sound business reasons to approve the Debtors' designation of Thor as the Stalking Horse Bidder, to approve the Stalking Horse APAs, and to base the Bidding Procedures on the same, they no longer justified based on the recently revealed key diligence. In turn, the proposed Sale no longer reflects a sound exercise of the Debtors' business judgment under section 363 of the Bankruptcy Code. As acknowledged by the Debtors in their Amended Motion, "[t]he paramount goal of [private sale or public action] is to maximize the proceeds of such sale and the recovery for the estate" because debtors have "a fiduciary duty to protect and maximize the estate's assets." *See In re Mushroom Transp. Co.*, 382

F.3d 325, 339 (3d Cir. 2004). Considering the Assets' true sale value in the hundreds of millions of dollars, and the Assets' potential EV in the billions of dollars, the Debtors have a fiduciary to protect and maximize value of the Assets by taking action to respond to these changes in circumstances.

Because the Bidding Procedures do not currently maximize the proceeds of sale of the Assets or recovery for the estate, the Debtors now have a fiduciary duty to amend those Procedures. Failure to do so is evidence that the Sale is no longer based on the Debtors' sound business judgment. *See*, *Meyers v. Martin (In re Martin)*, 91 F.3d 389, 395 (3d Cir. 1996) ("[U]nder normal circumstances the court would defer to the trustee's judgment so long as there is a legitimate business justification. If, however, a trustee is prohibited from informing the court of changed circumstance, or from advocating on behalf of creditors in light of changed circumstances, a bankruptcy court could proceed without full information, and the creditor body could suffer.") (internal citation omitted). Debtors' business judgment, *i.e.*, seeking this Court's approval of sale of the Assets under the Bidding Procedures, is no longer sound under the four (4) factors outlined in *In re Congoleum, Corp.*, 2007 Bankr. LEXIS 1707, 2007 WL 1428477 (Bankr. D.N.J. May 11, 2007): (1) whether there is a sound business reason for the sale; (2) whether the sale is proposed in good faith; (3) whether adequate and reasonable notice has been afforded, and (4) whether a fair and reasonable purchase price is offered.

First, there is no longer an ample business purpose for the proposed Sale under the Bidding Procedures which were premised on the September 30, 2026 deadline for the proposed Buyer to exercise the Option Agreement. Debtors have ample DIP financing available to both exercise and close on the Option Agreement for the Adjacent Property — directly —well in advance of respective September 30, 2026 and November 30, 2026 deadlines, while leaving funds available

for case administration. Distinct from the Court's findings in *In re Sea Oaks Country Club, LLC*, Nos. 20-17229 (CMG), 20-17228 (CMG), 2020 Bankr. LEXIS 3173, at *28 (Bankr. D.N.J. Nov. 10, 2020), where Chief Judge Gravelle found that evidence of "no other good options for these Debtors except for a sale", here there are several other good options for the Debtors other than the proposed Sale under the current Bidding Procedures. Debtors can amend the Bidding Procedures to maximize the sale value of the Assets or pursue a plan of reorganization to realize the EV of the Assets.

Second, regarding the good faith requirement outlined in *In re Abbotts Dairies of Pa., Inc.*, 788 F.2d 143 (3d Cir. 1986), the Bidding Procedures were irregular and had the effect of taking grossly unfair advantage of bidders. AI received data room access on July 2nd and had it removed on July 13th on notification of the Stalking Horse selection. Access was not restored until August 28th — a blackout of approximately six (6) weeks spanning the period during which the marketing process was structured and the bid procedures were set. The compressed bidding timeline, which ran through a holiday weekend, was unreasonably short and atypical. Key diligence was not revealed until one (1) day before the Bid Deadline. And the Debtors failed to file with the Court and serve on parties by September 11, 2026 on or before 5:00 p.m. a Notice of Winning Bidder as required by the Order Approving Bidding Procedures. Parties cannot adequately object to the proposed Sale in advance of the Sale Hearing in the absence of this Notice. AI also reserves its rights to raise any further good faith-related issues, which may be revealed through discovery, including any irregularities with the pre-petition marketing of the Assets and the choice of the Stalking Horse Bidder. Specifically, the Debtors have represented that Manning Minerals, LLC and Manning Land, LLC are, together with DL, the only brokers, finders, or investment bankers they have employed in connection with the Tarbush transaction. [Docket No. 30-2, Ex. B (Tarbush

APA)]. Both Manning entities appear as "Interested Parties" on the CRO's conflicts search, with no description of the relationship. [Docket No. 15-2].

Third, as set forth above, there was not adequate or reasonable notice of afforded to prospective bidders in the context of diligence. By way of example, AI requested, but was denied, access to the auction. *See* Cawley Certification. Therefore, AI submits that the current auction process was not sufficiently open or transparent.

Fourth, the purchase price offered at the Auction, which was to be disclosed in the Notice of Winning Bidder on September 11th, has not yet been disclosed. There cannot yet be a determination whether the undisclosed offer is fair or reasonable. AI reserves its right to amend and supplement this Objection once the information to be set forth in the Notice of Winning Bidder is revealed by the Debtors.

The Asserted Time Constraint Driving the Proposed Sale is Based on a False Premise

Debtors sought and obtained this Court's approval of an expedited process to sell all the estate Assets for their distressed value on the inherent premise that Debtors do not have access to the approximately $7-10M in funding necessary to preserve those Assets. Specifically, the premise was that: the Stalking Horse or other successful bidder must exercise the Option for the Adjacent Property by September 30th and pay approximately $7M to close by November 30th; and DBR must be paid $1.5M by November 30th under the DBR Settlement. The Debtors submitted that immediate sale of the Assets was the only means to meet these deadlines and was absolutely necessary to preserve the value of the Assets. Debtors represent that September 30th is a hard deadline because Jeffrey Lindsay will not agree to an extension of the Option for the Adjacent Property. In turn, the Stalking Horse premised its bid on the Stalking Horse's right to exercise that Option. Specifically, Section 7.2(c) conditioned the Stalking Horse's obligation to close on the

closing of a separate "purchase and sale agreement (the 'Adjacent Property PSA'), on terms and conditions acceptable to [the Stalking Horse], in its sole and absolute discretion."[3]

That premise is not unsubstantiated and is not valid. The Debtors have the resources necessary to preserve the true value of the Assets, and the time constraints driving expedited Bidding Procedures and the proposed Sale can easily be remedied by Debtors. To this point, Binance has reported the Auction bids for the Assets are at least $180M,[4] establishing that the Stalking Horse Bid of ~$52M and the marketing process for the Assets was not calibrated to the ultimate value of the Asset. Instead of reflecting the success of the Bidding Procedures and the Auction process, the bids procured through the Auction process should be viewed by this Court a value floor achieved under suboptimal conditions. AI anticipates that the forthcoming Notice of Winning Bidder will support this proposition and that a revised process, as proposed here, is likely to realize additional value for the creditors.

AI can immediately deliver a DIP financing term sheet on competitive terms in a principal amount of approximately $20M — sufficient to fund case administration and the Amended Option. The DIP financing necessary to decelerate the proposed Sale, and the vastly increase the value of the Assets, is approximately $10M. DIP financing of $20M secured against the Assets represents only a modest eleven percent (11%) loan to value (LTV) ratio, and this financing could quickly be satisfied at the conclusion of sale of the Assets following amended Bidding Procedures or could alternatively be serviced under Debtors' plan of reorganization.

The Debtors' anticipated response to this Objection is that any request for delay of the current sale process will cause the Debtors to suffer "irreparable damage" because Jeffrey Lindsay

[3] The Pyote APA contains no condition relating to the Adjacent Property.
[4] *See* Binance, *Poolin Asset Auction Bid Rises to $180 Million as Bankruptcy Case Continues* (Sept. 12, 2026) https://www.binance.com/en/square/post/09-13-2026-poolin-asset-auction-bid-rises-to-180-million-as-bankruptcy-case-continues-366082630351071 (last accessed Sept. 16, 2026).

will not agree to an extension of the time to exercise the Option, and that Option will expire if not exercised by the Stalking Horse or the Winning Bidder. However, as set forth above, this premise is no longer substantiated or valid based on the evidence before this Court. There are effectively two (2) operative dates, not one (1), in this case, and both land on November 30th; the Option must close by November 30th [Docket No. 105-1], which is also the Outside Date under both APAs [Docket No. 30-2], as well as the backstop date in the DBR Settlement [Docket No. 190]. With modest DIP financing, the Debtors have adequate time to meet these deadlines and to maximize the value of the Assets.

It must be noted that the Debtors can sell the Pyote Site separately from the Tarbush Site and utilize the proceeds from the Pyote Site sale to support a value creation plan and for case administration. Only the Tarbush APA is conditioned on the Option for the Adjacent Property; the Pyote APA contains no such condition [Docket No. 30-2], and the $15M Pyote transaction is unaffected by September 30th deadline to exercise the Option. This represents at least $15M in funding available to the Debtors to execute a plan to maximize the value of the Tarbush Site through their exercise of the Option by September 30th and their closing on the same by November 30th.

The Debtors also have adequate time to address their non-monetary obligations under the DBR Settlement. [Docket No. 190]. The ultimate purchaser of the Tarbush assets, and the Debtors, have nine (9) months from the closing of the Tarbush sale (or, if the sale does not close before November 30, 2026, nine (9) months from the date the Settlement Payment is made to DBR) to remove certain assets and any other remaining property from that Site (other than the water well and associated equipment) and to remediate that Site as required under the TSUA.

The Bidding Procedures Precluded More Better and Higher Offers

Due to the unsubstantiated time constraints relied upon by the Debtors in support of the Bidding Procedures Motion, the Bidding Procedures have expressly precluded three (3) categories of valuable bids that can result in better and higher offers for the Assets:

Predominantly non-cash bids. The Bidding Procedures requires Cash Consideration and a "Topping Bid" measured by consideration at Closing. [Docket No. 138]. Accordingly, notes, preferred equity, and rent participation, which are worth multiples of the Cash Consideration over time, are not given value or consideration despite representing a superior recovery to the estate. AI proposes a plan to deliver a huge amount of non-cash consideration to the estate, which the Bidding Procedures inherently precluded based on unsubstantiated time constraints.

Contingent bids. The Bid Procedures also prohibit contingencies including financing contingencies and "requisite government, regulatory, or other third-party approvals." *Id.* Bids with financing or other contingencies could be multiples higher and add very significant value to the auction process, and the Debtors have time to accept and review such contingent bids as outlined above.

A plan of reorganization proposal. AI submits that the absolute best scenario for creditors may be a reorganization of the Tarbush and Pyote Sites in a format that allows creditors to enjoy almost all of the value creation available. However, no such plan or option is possible under the current Procedures. The sale of the Tarbush and Pyote Assets, for their distressed asset value, has been unnecessarily rushed through the current Procedures before the claims Bar Date has passed and, as a result, creditors have not had a meaningful chance to understand or weigh in on. As the proposed Sale disposes of substantially all of the Assets, and to the extent that the proposed Sale fixes the recovery structure for creditors and dictates the terms, up front, of any forthcoming plan, and forecloses reorganization alternatives such as those outlined herein, the proposed Sale amounts

to *sub rosa* plan. *See In re BSA*, 137 F.4th 126 (3d Cir. 2025); *In re Hertz Corp.*, 120 F.4th 1181 (3d Cir. 2024). To this point, AI is willing to develop the Sites as part of a plan, with the participation of all parties, which will give the creditors meaningful chance to understand or weigh in on the same.

The Claims Bar Date Has Not Passed and the Actual Creditor Body is Unknown

Through the proposed Sale, the Debtors are disposing of the estate's most valuable Assets, and substantially all of the Assets, before the universe of claims has been ascertained. As a result, neither the Court, the Debtors, or creditors can sufficiently evaluate whether the consideration produced by the proposed Sale is an acceptable recovery in the context of this case because the creditor body is currently ambiguous. Poolin scheduled approximately $175M in claims in its schedules. However, proofs of claim filed in this case, to date, indicate the ultimate creditor body may be materially larger — potentially by a multiple of three (3) to four (4) — than reflected in the Debtors' schedules. The Debtors' schedules appear to peg creditor's claims to 2022 digital asset prices while proofs of claim are being asserted at price closer to the Petition Date. If the amount of creditor claims expands to anything approaching that scale, every recovery assumption underpinning the proposed Sale is flawed.[5]

AI's Value Creation Plan and Supporting Comparables

Power is the binding constraint in the AI/HPC infrastructure economy. The Pyote and Tarbush Sites represent 354 MW of West Texas interconnection capacity. On power rights alone, at $500k to $1M+ per MW, the Sites are worth approximately $177M to $354M. AI's value creation plan would result in the stabilized Sites being worth between approximately $2B and $4B after development and triple net (NNN) lease to an AI/HPC offtaker. The creditors should

[5] Based on a review of 265 proofs of claim filed to date, the typical proof of claim is three (3) to four (4) times higher than the amount originally scheduled by the Debtor for those creditors. *See* Cawley Certification.

participate in the upside potential of the Sites and AI urges the debtors to exercise their rights to delay the Sale.

AI views Ionic Digital Inc.'s (NASDAQ: IOND) ("Ionic") Cedarvale transaction as a close comparison and instructive example for the value creation plan it would apply to the Tarbush and Pyote Sites. Cedarvale was originally purchased from Core Scientific (CORZ) out of their Chapter 11 process in 2023. Today, Ionic leases Cedarvale to Nscale, a vertically integrated artificial intelligence (AI) infrastructure provider, under terms that will generate $182.5M of annual fixed rent on 234 MW after full ramp-up. This represents approximately $65/kW/month in gross rent operated at a 99.5% net margin. Similarly, the Tarbush and Pyote Sites should be developed into turnkey AI/HPC data center campuses, completing the requisite power, fiber, and predevelopment work necessary to attract hyperscale tenants and their compute providers.

Under this model, the Sites will generate between $2B - $4B in EV. At $60/kW/month in gross rent (discounted 7.6% against Cedarvale's $65/kW/month) and 90% margin (discounted 9.5% against Cedarvale's 99.5% margin), the seasoned Sites would generate a combined $229M in net operating income (NOI). At a conservative 10% capitalization rate, this represents $2.29B of EV, and $3.82B of EV at a cap rate of 6%.

Cap Rate	Pyote Site	Tarbush Site	Combined
6%	$583M	$3.24B	$3.82B
8%	$437M	$2.43B	$2.86B
10%	$349M	$1.94B	$2.29B

AI envisions a plan of reorganization ("AI Plan") for the Assets that would give creditors the lion's share of this value. The AI Plan would use a Lonestar Infrastructure Protection Act (LSIPA) compliant structure ("Newco") through which the creditors would hold the Assets. AI would manage Newco for the benefit of the creditors in exchange for: (i) an annual fee sufficient

to cover its operating costs; and (ii) an incentive fee for value creation realized above a hurdle rate. AI would facilitate new debt or equity capital investment in Newco to allow for a convenience class and electing creditors to receive cash consideration instead of an interest in Newco. Newco would be subject to oversight by a board appointed by the UCC or by the creditors more generally.

AI has the expertise and ability to execute this plan to create value for creditors and the estate. AI's team has extensive experience developing six (6) similar sites in West Texas, totaling 1,137 MW of transmission and distribution capacity, and AI has originated 2,300 MW of powered land and generation for AI data center developers. AI's team includes:

> **Joseph Golding-Ochsner**. Joseph was the first fractional General Counsel for Ionic and Deputy General Counsel for Celsius Network, responsible for Bitcoin mining and asset deployment. He was responsible for power strategy at Ionic and he has led all legal aspects for the development of six (6) data center sites in west Texas (including Cedarvale), 500+ MW of co-location agreements, and for over $10B of debt and equity transactions. Recently he led restructuring efforts for the Movement Network (MOVE) as General Counsel of MVMT Labs, Inc. He previously worked for Paul, Weiss, Rifkind, Wharton & Garrison advising Apollo Global Management and other PE sponsors on insurance, regulatory, investment management, corporate governance, M&A and financing matters. He holds a B.A. in Philosophy, Politics and Economics (PPE) from Oxford University and a J.D. and an MBA from Columbia University.
>
> **Quinn Lawlor**. Quinn was the founder of Celsius Mining LLC in 2020, and served as Chief Strategy Officer from inception through its successful emergence from Chapter 11 in 2024. He led corporate strategy, operations, site development, and energy procurement across 16 bitcoin mining sites in NYISO, MISO, PJM, and ERCOT. Under his leadership, the company produced over 12,500 BTC and deployed over $1 billion in capital across infrastructure, site development, and structured financings. He directed the acquisition and development of six projects across ERCOT Load Zone West, with 1,137 MW of contracted capacity: Garden City (12 MW, 21.6 kV); Stiles (20 MW), Rebel (25 MW) and East Stiles (30 MW), each at 24.9 kV; Cedarvale (250 MW, 138 kV); and Barber Lake (300 MW plus a further 500 MW phase, 138 kV). He managed a 400 MW ASIC portfolio and executed 500+ MW of co-location agreements across the U.S. He previously worked in New York at Millstein & Co. in restructuring and sovereign advisory, and at J.P. Morgan TMT in San Francisco. He holds a B.A. in Finance from the University of Washington.
>
> **Noah Cawley**. Noah is the founder of Abbauer Industries LLC. He spent 12 years building and leading software platforms for startups and Fortune 100 companies, including Nike, Paragon (YC20) and iFinex. He has developed software and settlement infrastructure used to model and administer more than $500M of contracted offtake agreements representing

over 8,000 gigawatt-hours of energy supply. He has originated over 2.3 GW of powered land and generation for AI data center developers. He holds a B.A. in Philosophy from Calvin College.

Upon its engagement, AI will perform predevelopment work necessary to:

- Identify prospective AI/HPC offtakers and securing letters of intent;
- Negotiate and draft lease documentation with those offtakers;
- Source infrastructure development finance from institutional capital providers active in AI/HPC infrastructure;
- Commission engineering studies and prepare diligence materials for development planning; and
- Evaluate modular data center development options.

Engagement of AI has precedent in the Celsius bankruptcy. In that case, the Official Committee of Unsecured Creditors supported engagement of Mike Deeg as a consultant and advisor to assist with the operation of the mining business. Hut 8 was subsequently engaged to begin management and development work, for cash, in advance of the plan being finalized and confirmed. In Celsius, the estate did not wait for confirmation to begin preserving and building the value of the mining assets, and creditors benefited from the work performed in the interim. That work led to the Cedarvale asset being acquired and developed before being leased to Nscale.

The structural parallel applies in this case. The Assets require specialized operational and development work that is time-sensitive, the estate's financial advisors and investment bankers are not positioned to perform this work, and this work will produce value regardless of which Asset disposition path the estate ultimately selects. The question of who eventually acquires or sponsors the Assets is severable from the question of whether the work gets done in the meantime. AI submits that the Debtors, like in Celsius, should get this work done regardless of who obtains the Assets. The value created through this plan accrues to the benefit of the estate in every scenario.

If the Debtors ultimately proceed with sale of the Assets, this work will result in a higher purchase price. If the Debtors pursue a plan of reorganization with a different sponsor, the value accrues through that plan. If the Debtors select AI, it can immediately execute.

Conclusion

AI submits that facts and law set forth above, as well as the value creation plan outlined by AI, warrant the Court's denial of the proposed Sale. AI further submits that the Debtors should immediately take the following actions:

(i) adjourn the Sale hearing;

(ii) amend the Bidding Procedures to permit non-cash consideration, contingent bids, and plan-based proposals;

(iii) engage AI for pre-development services described below to preserve and maximize the value of the Assets pending disposition through a sale, plan, or other alternative;

(iv) work with AI to secure DIP financing sufficient for the Debtors to exercise and close on the Amended Option Agreement for the Adjacent Property and to fund case administration, and seek this Court's approval for the same; and

(v) defer disposition of the Assets, or a plan of reorganization modeled on Ionic Digital's Cedarvale transaction, until the claims bar date has passed so that the Debtors and the Unsecured Creditors Committee (UCC) can evaluate these alternatives against the claims with the assistance of AI.

Should the Debtors fail or refuse to take the foregoing action, the Court should exercise its equitable powers to preserve and maximize the value of the Assets as set forth herein. AI also respectfully requests that the Court grant AI such other and further relief deemed just and equitable under Section 105(a) of the Bankruptcy Code.

AI expressly reserves its right to amend or supplement this Objection.

Respectfully submitted,

MIDDLEBROOKS SHAPIRO, P.C.
Counsel to Abbauer Industries, LLC

/s/ Joseph M. Shapiro

Dated: September 16, 2026 By: Joseph M. Shapiro, Esq.

MIDDLEBROOKS SHAPIRO, P.C.
P.O. Box 1630
Belmar, New Jersey 07719-1630
(973) 218-6877
(973) 218-6878 (fax)
Joseph M. Shapiro, Esq.
jshapiro@middlebrooksshapiro.com
Counsel to Abbauer Industries, LLC

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

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

CERTIFICATION OF NOAH CAWLEY IN SUPPORT OF OBJECTION OF ABBAUER INDUSTRIES, LLC TO PROPOSED SALE

Noah Cawley, of legal age, hereby certifies as follows:

1. I am a principal of Abbauer Industries, LLC ("AI"), which is a party-in-interest, a potential bidder, and a notice party in the instant case.

2. I make this Certification in support of AI's Objection to the Debtors' proposed Sale.

3. On June 25, 2026, AI was introduced to representatives of the Debtors.

4. On June 29, 2026, AI executed a Confidentiality and Non-Disclosure Agreement in connection with the Debtors' marketing of the Assets and was granted access to a data room on July 2, 2026.

5. On July 13, 2026, AI was notified of the CRO's selection of the Stalking Horse and the CRO removed AI's access to the data room.

[1] The debtors in these jointly administered Chapter 11 Cases are: Poolin Technology Pte. Ltd.; Lonestar Dream Inc. ("LSD"); and Lonestar Taproot LLC ("LST") (collectively, the "Debtors"). Michael DuFrayne is the Debtors' Chief Restructuring Officer ("DuFrayne" or the "CRO"). The CRO is the principal of DuFrayne LLC ("DL").

6. On August 27, 2026, AI submitted its indication of interest (IOI) to the CRO.

7. On August 28, 2026, AI's access to the data room was restored.

8. On September 4, 2026, certain key diligence was uploaded to the data room.

9. On September 8, 2026, certain further key diligence was uploaded to the data room.

10. AI has not received a Notice of Winning Bidder as of the time of this Certification.

11. AI can immediately deliver a debtor-in-possession financing term sheet on competitive terms in a principal amount of approximately $20M.

12. I have reviewed approximately 265 proofs of claim filed to date, and the typical proof of claim is three (3) to four (4) times higher than the amount originally scheduled by the Debtor for those creditors.

I hereby certify that the statements contained herein are true and correct to the best of my knowledge, information, and belief. If such statements made by me are willfully false, I understand that I am subject to punishment.

/s/ Noah Cawley

Dated: September 16, 2026

Noah Cawley