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**UNITED STATES BANKRUPTCY COURT**
**DISTRICT OF NEW JERSEY**

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

**SUPPLEMENTAL OBJECTION OF**
**ABBAUER INDUSTRIES, LLC TO THE PROPOSED SALE**

Abbauer Industries, LLC ("AI"), by and through its undersigned counsel Middlebrooks Shapiro, P.C., respectfully submits this Supplemental Objection to the Proposed Sale, supplementing its initial Objection filed on September 16, 2026 [Docket No. 221] (the "Initial Objection"), and states as follows:

## Preliminary Statement

This Supplemental Objection primarily addresses a single, dispositive point: the September 30th deadline to exercise the option to purchase the Adjacent Property is not a deadline for this Court to approve the Sale and is not good cause to approve a flawed sale process.

The recently filed Executed APAs, related deal structure, and other proofs now before this Court confirm that September 30th is not a time constraint on sale approval. This fact negates any

[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").

need for this Court's immediate approval of the proposed Sale, and over the numerous objections filed in response to the Debtors' Motion. Accordingly, by way of its Objections, AI respectfully submits that this Court should: (1) deny approval of the proposed Sale on the present record; or, alternatively, (2) adjourn the hearing on the proposed Sale. This time must be used by the Debtors and the Committee to undertake their respective duties to maximize value of the Assets. This time will also permit the Court and all parties to be better positioned to assess the merits of arguments made in support of, and in opposition to, the proposed Sale.

Since the start of this case, the Debtors have justified an extraordinarily compressed sale process, with critical due diligence revealed to bidders at the eleventh hour, by repeated reliance on a "critical" September 30th deadline. The Debtors represented to this Court that "[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," and that "[t]he 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." [Docket No. 105]. The Debtors pushed this Court for an expedited September 18th hearing, over creditors' objections, by representing:

> This is not a case in which adjournment merely risks the sale. Adjournment [of the September 18th Sale Hearing] will *guarantee* the loss of value that the Debtors' proposed timeline delivers to creditors.

*Id.* Undoubtedly, the Debtors will again argue — this time at this Court's September 29th hearing — that adjournment "will *guarantee* the loss of value that the Debtors' proposed timeline delivers to creditors."

However, this is simply not true. The Debtors conflate their September 30th deadline to exercise the Option with this Court's deadline to approve the proposed Sale. This is the false premise that drove the expedited sale process and has produced: (1) Bidding Procedures built

around a $52M stalking horse bid obtained before critical due diligence revealed the true value of the Assets; (2) a Bid Deadline that closed before the Assets' power position was fully known; and (3) an Auction conducted before the market could respond to the actual value of the Assets. This sale process has also produced numerous objections.

This false premise is also contradicted by the executed Winning Bidder asset purchase agreements [Docket No. 247] (collectively, the "Executed APAs"), filed by the Debtors on September 25, 2026, which themselves do not support the expedited sale process demanded by the Debtors:

(i) the Option Assignment Agreement is not assigned to the Winning Bidder upon entry of a sale order — it is assigned at Closing, as one of the "Deliveries to be Made by Seller at Closing";

(ii) Closing cannot occur before December 15th, and the Debtors may extend it to January 14, 2027, then February 13, 2027, and then March 15, 2027; and

(iii) the Winning Bidder is not obligated to take the Option at all — acquisition of the Adjacent Property "may, at the Buyer's election," be effectuated through the Option, or through a separate purchase and sale agreement negotiated directly with the landowner.

The consequence of the terms of the Executed APAs is unavoidable; the Winning Bidder will not hold the Option on September 30th. The Winning Bidder will not hold the Option in October 2026, in November 2026, or on December 14, 2026. And no order entered by this Court on September 29th will cause the Winning Bidder to exercise an option it will not own for another eleven (11) weeks at the earliest — and that it may never elect to own at all.

This Court's approval of the proposed Sale on September 29th also does not preserve the Option; nor does this Court's denial of the proposed Sale on September 29th destroy the Option. The Sale and the Option Expiration Date are, as a matter of the Debtors' own contract documents, uncorrelated and unconnected.

There is one (1) party that can preserve the Option on or before September 30th by exercising it: the Debtors. The Option is property of the estate, the Debtors hold the Option, and the Debtors have already advised this Court the Option Assignment Agreement is assumable with a cure amount is "$0". [Docket No. 239]. The Debtors must exercise the Option before closing and, when they do, the September 30th issue is resolved — permanently. What remains is a November 30th closing obligation.

Aside from the September 30th date not being good cause to support this Court's approval of the proposed Sale, the Debtors' conduct over the past two (2) weeks confirms that none of the dates relevant to the expedited proposed Sale are what they were represented to be. The Debtors asked bidders to move the closing date from November 11th to December 15th, "with extension provisions for up to 90 days" — and they did so because an approval required from the Electric Reliability Council of Texas ("ERCOT"), which approval is central to the value of the Tarbush Assets, "is to be issued . . . on or about December 10, 2026." [Docket No. 240].

The Debtors' own court-approved settlement with DBR Land LLC expressly contemplates that the Tarbush sale may not close by November 30th and gives the Debtors the right to make the $1.5M settlement payment "independent of a closing." [Docket No. 190]. And the Option itself — the instrument said to be incapable of extension — has been amended and then amended and restated, the latter on July 28, 2026, six (6) days after the Petition Date. [Docket No. 247]. At the Auction, tellingly, there was no mention of September 30th date despite the Debtors' counsel advising bidders that the Debtors were "not sure how [they] would go to closing" before the final ERCOT power approval which is not expected until December. [Docket No. 240, Auction Transcript, 68:3-10].

Accordingly, AI's objections are based on the fact that the Debtors are asking this Court to approve, on an emergency basis, and over numerous objections, a $140M sale, to two (2) newly formed Delaware limited liability companies, whose corporate parent (Hut 8) is not a party to or guaranty of either Executed APAs, of assets on which a competing bidder offered $180M at the Auction, for whose ERCOT power approval will not be known until December 10th, and whose closing may not occur until March 15, 2027 — all to meet a September 30th deadline that the proposed Sale itself does not and cannot meet.

AI does not ask this Court to let the Option lapse. Quite the opposite, AI respectfully submits that the Court should decline to approve the proposed Sale on the present record before it and, instead, authorize and direct the Debtors to exercise the Option on or before September 30th. This is the one act that the Debtors can take, right now, to preserve the value the Debtors say is at risk in adjourning the hearing on the Motion.

Further, AI does not seek to delay the proposed Sale indefinitely. AI's position is that — should sale of the Assets be deemed in the best interest of the estate by this Court and all parties in interest — they should be sold, and the sale should proceed in a timely manner. However, AI respectfully submits that the sale does not need to be rushed in the manner originally represented by the Debtors to this Court. The Auction drew at least five (5) bidders and drove the aggregate bid from $55.5M to $180M; some of those same bidders are now asking this Court for more opportunity to compete to be the winning bidder, not less.

The Winning Bidder has agreed to a closing on December 15th, and nothing in the APAs permits it to terminate because the sale is approved after September 29th. An adjournment would not move any closing date currently anticipated here and would not cause the estate to miss any

deadline. Conversely, it would give the Debtors, the Committee, and creditors the time necessary to consider every option now on the table.

Based on the foregoing, AI respectfully submits that this Court should:

(i) deny the proposed Sale on the present record;

(ii) authorize and direct the Debtors to exercise the Option for the Adjacent Property on or before September 30th, and to take all steps necessary to preserve the estates' rights thereunder;

(iii) adjourn the Sale Hearing to a date the Court sets well in advance of the December 15th Closing Date, to allow the Debtors, the Committee, and the creditors to make a fully informed decision on the merits of the options available to maximize recovery of value for the estate, whether it be by way of better and higher offers for the Assets, a plan of reorganization to operate the Assets, or through other alternative proposals and structures which will permit creditors to participate in the upside value of the Assets;

(iv) direct the Debtors to seek entry of an order establishing a claims bar date promptly, so that the size of the creditor body is known as early as possible; and

(v) grant such other and further relief as is just and equitable, including under section 105(a) of the Bankruptcy Code.

**Supplemental Background**

AI incorporates, by reference, the Relevant Background set forth in the Initial Objection. [Docket No. 221].

On September 22, 2026, the Debtors filed a *Notice of Auction Results* designating Hut 8 Corp. ("Hut 8") as the Winning Bidder for "cash and other consideration in the amount of $140,000,000." [Docket No. 237].

On September 23, 2026, the Debtors filed an *Amended Notice of Auction Results* [Docket No. 239] (the "Amended Auction Notice") which identifies the following as back-up bidders: Digipower X Inc. ("Digipower") for the Pyote Assets at $36.5M; and Pecos Industrial Development, LLC (as designee of Fluidstack Ltd.) ("Pecos") for the Tarbush Assets at $100,500,000. The Amended Auction Notice lists the "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" among the Assigned Contracts to be assumed and assigned, by the Debtors, to the Winning Bidder, each with a cure amount of "$0". *Id.*

Also on September 23, 2026, the Debtors filed the *Supplemental Declaration of Michael DuFrayne Regarding Auction Result and in Support of Approval of Sale of Substantially All of the Debtors' Assets* [Docket No. 240] (the "Supplemental DuFrayne Declaration"), together with more than 500 pages of exhibits, including a transcript of the auction [Docket No. 240-1] (the "Auction Transcript") and copies of unexecuted Winning Bidder asset purchase agreements and redlines [Docket No. 240]. The Supplemental DuFrayne Declaration states that, at the conclusion of the Auction, the CRO announced: (1) Thor CALAP, LLC ("Thor") as the high aggregate bidder at $180M; (2) Hut 8 as back-up aggregate bidder at $179M; Giga Energy, Inc. ("Giga") as high lot bidder on the Pyote Assets at $36.75M; and Thor as high lot bidder on the Tarbush Assets at $103M. *Id.*

The Supplemental DuFrayne Declaration further states that, following post-auction negotiations, the Debtors selected Hut 8's bid "for a total consideration of $140,000,000," and that "[t]he final 'Hut 8 APAs' were completed today … . Hut 8 is a large public company and signed APAs will be filed with the Court prior to the sale approval hearing." *Id.* Paragraph 24 of the Supplemental DuFrayne Declaration states:

> The Debtors also requested that Thor agree to continue the closing date in the original APAs from November 11, 2026 to December 15, 2026, with extension provisions for up to 90 days. This was requested due to an expected energy "Approval" document (directly related to an APA closing provision) to be issued by or for ERCOT on or about December 10, 2026. Thor declined to agree while all of the other bidders agreed to this revision.

*Id.*

On September 24, 2026, Thor filed a *Supplemental Objection* asserting, among other things, that the Debtors conducted an undisclosed "secret" post-auction process outside the Bid Procedures, that Thor was never given an opportunity to bid on the revised terms, and that the sale should be denied and the auction reopened on fully disclosed terms. [Docket No. 243].

On September 25, 2026, Digipower filed an objection to the designation of Hut 8 as successful bidder for the Pyote Assets. [Docket No. 244].

On September 25, 2026, the Debtors filed the Executed APAs as a further exhibit to the Supplemental DuFrayne Declaration. [Docket No. 245].

On September 25, 2026, Pecos filed an objection requesting that this Court declare the back-up bidders as the successful bidders at the Auction. [Docket No. 148].

AI's Initial Objection drew joinders from creditor Yu Chong Leong [Docket No. 223], creditor Lin Liang [Docket No. 225], and CES Acquisitions LLC ("CES") [Docket No. 227].

The Debtors filed their Schedules and Statements on September 4, 2026. [Docket No. 202]. Poolin's Schedules list total assets of $114,343,286.65 and total liabilities of $170,799,696.15, all scheduled as general unsecured claims. [Docket No. 202].

No claims bar date has yet been established. *See* Docket.

**Supplemental Objection**

***The September 30th Option Date Is Not a Deadline to Approve the Sale.***

The Debtors' position has always been that the Sale must be approved before September 30th so that the successful bidder can exercise the Option. That was the express premise of the stalking horse bid. [Docket No. 105]. The CRO stated the same thing: "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." [Docket No. 105]. Every previous version of the proposed Sale required a successful buyer to exercise the Option no later than September 30th. This was the premise for an expedited sale.

However, the Executed APAs now filed with the Court following the Auction do not operate on that stated premise. As set forth in the executed Tarbush APA, the Debtors are to assume and assign the Option at "the Closing" — not upon entry of a sale order. [Docket No. 247]. It provides that "[t]he acquisition of the Adjacent Property by the Buyer at Closing may, at the Buyer's election, be effectuated through an assignment of the Sellers' rights and interests under" the Option Assignment Agreement. *Id.* (emphasis added). Closing is the operative event, and the executed Tarbush APA provides that Closing "shall take place on December 15, 2026," and then provides terms permitting the Debtors to control the timing of the Closing:

> … Upon written notice to Buyer prior to the Closing Date, the Sellers may extend the Closing Date to January 14, 2027 (the "January Closing Date"), provided that the Purchase Price shall be reduced by $175,000. Upon written notice to Buyer prior to the January Closing Date, the Sellers may extend the Closing Date to February 13, 2027 (the "February Closing Date"), provided that the Purchase Price shall be reduced by an additional $350,000. Upon written notice to Buyer prior to the February Closing Date, the Sellers may extend the Closing Date to March 15, 2027 (the "March Closing Date"), provided that the Purchase Price shall be reduced by an additional $500,000.

*Id*. (emphasis added). Based on the terms of the Tarbush APA, it's clear that the transaction the Debtors ask this Court to approve on September 29th on an expedited basis, to save an option expiring on September 30th, may not close until March 15, 2027 — more than five (5) months after the Option is said to expire, and more than three (3) months after the November 30th date the Debtors described as the outer limit of the estates' runway.

The Debtors' proposed form of order, submitted in support of the Motion, supports this conclusion, as it provides that "… subject to and conditioned upon the closing of the Sale, the Debtors are authorized and directed to assume and assign the Assigned Contracts to the Purchaser(s)." [Docket No. 199].

Every instrument before the Court — the Executed APAs and the Debtors' proposed Sale Order — places the assignment of the Option Assignment Agreement at a Closing that cannot occur until December 2026 at the earliest. The Debtors are asking this Court to approve a sale on September 29th to save an option expiring September 30th that the sale, by its own terms, will not reach until December 15th.

Taken together, these provisions establish that entry of a sale order on September 29th will not result in the exercise of the Option by a buyer on September 30th. Approval of the Sale is therefore irrelevant to the Debtors' preservation of the Option.

***Only the Debtors Can Exercise the Option by September 30th.***

The Debtors have insisted for two (2) months that the Option must be exercised by September 30th. However, the Debtors are the only party able to do so before September 30th and, accordingly, the Debtors must exercise the Option. The estates' rights under the Option Assignment Agreement and the underlying Option Agreement are property of the estate under Section 541(a)(1) that the debtors hold and may use that property, including by performing under it under Sections 363(b) and 1107(a), as debtors in possession.

The Debtors have scheduled the Option Assignment Agreement for assumption and assignment at a cure amount of "$0". [Docket No. 239]. That representation forecloses the objections that might otherwise be raised. A contract the Debtors may assume and assign to the Winning Bidder is a contract the Debtors may assume and perform themselves under Section 365.

There is no default to cure, no adequate assurance issues identified, and no anti-assignment issue, because no assignment is required when the estate exercises the Option.

The Debtors have described the Option's mechanics to this Court as follows: the Option "expires on September 30, 2026 . . . with no possibility of extension," and "under the Option Agreement, the sale of the Adjacent Property must close by November 30, 2026." [Docket No. 105]. On the Debtors' own description, exercise on or before September 30th does not require the estates to fund the purchase price on September 30th. It requires the Debtors to exercise, and then to close by November 30th — a date that is itself the outside date under the original APAs and the backstop date under the DBR Settlement.

The practical effect is that, once exercised, the September 30th date disappears from this case. The estates hold a contract to purchase the Adjacent Property, closing by November 30th. The Court, the Committee, and creditors are then free to evaluate the Sale on its merits, on a schedule that permits actual scrutiny rather than one dictated by a date the estates can eliminate — and with better information about the ERCOT determination expected on or about December 10th, which will establish what the Tarbush Assets are actually worth. [Docket No. 240].

On the Debtors' own description of the Option, the Winning Bidder's structure cannot use it the Option unless the estates act first. The Debtors have told the Court that the purchase of the Adjacent Property "must close by November 30, 2026." [Docket No. 105]. The Executed APAs deliver the Option Assignment Agreement to the buyer only at a Closing that cannot occur before December 15th. [Docket No. 247].

By the time the buyer receives the Option, the date by which the Adjacent Property must close will have passed. Unless the Option Agreement says something different from what the Debtors have represented, only two (2) outcomes appear possible: either the estates exercise and

close on the Option themselves, or the buyer acquires the Adjacent Property directly from the landowner and the estates' Option expires worthless. The first outcome is the one AI asks the Court to direct.

***Nothing Permits the Winning Bidder to Walk If the Hearing is Adjourned.***

AI anticipates that the Debtors may argue that the Winning Bidder will "walk" if the Sale is not approved on September 29th. However, nothing in the Executed APAs supports that contention. Each Executed APA sets out, in the "Termination" section, the grounds on which the agreement "may be terminated at any time before Closing":

(a) mutual written agreement;

(b) a final, non-appealable order restraining, enjoining, or prohibiting consummation;

(c) failure to close by the December 15, 2026 Outside Date, "or such later date that is provided for herein";

(d) failure of a closing condition that is "incapable of being satisfied";

(e) the Buyer's default;

(f) the Buyer's failure to be selected as successful or back-up bidder;

(g) dismissal, conversion, or the appointment of a trustee or examiner with expanded powers;

(h) the Debtors' withdrawal of the Sale Motion; and

(i) casualty or condemnation.

[Docket No. 247]. None of these grounds for termination are triggered by the date on which the Sale Approval Order is entered by this Court. Similarly, the closing condition in the proposed Order requires only that "[t]he Bankruptcy Court shall have entered the Sale Approval Order and, as of the Closing Date, the Sale Approval Order shall be in full force and effect." [Docket No. 247]

(emphasis added). An order approving the proposed Sale entered by this Court in November or early December satisfies that condition exactly as well as one entered on September 29th.

The record reflects that the Debtors received "multiple Qualified Bids for the Assets, including bids for the Pyote Assets and the Tarbush Assets individually and bids for all or substantially all of the Assets as a whole." [Docket No. 240]. At least five (5) bidders participated in the Auction: Thor, Hut 8, Pecos, Giga, and Digipower [*Id.*; Docket No. 244]. And based on the docket, the interest has not dissipated since the Auction as, according to the CRO, after the Auction every bidder other than Thor agreed to renegotiate its agreement, to remove "sole and absolute discretion" closing conditions, and to move its closing date to December 15th. [Docket No. 240]. Thor has asked for the opportunity to match. [Docket No. 243]. Digipower has asked to be designated the successful bidder for the Pyote Assets. [Docket No. 244]. CES (along with certain creditors) have joined AI's Initial Objection. [Docket No. 226]. Pecos "remains ready, willing, and able to purchase the Tarbush Assts pursuant to the signed asset purchase agreement it has submitted to the Debtors." [Docket No. 248]. These are bidders asking for more opportunity to compete, not less, and therefore AI respectfully submits that bidder interest will not evaporate over a short adjournment.

**Conclusion**

For the reasons set forth, above, AI respectfully submits that the Assets are not the "melting ice cube" as they were originally characterized by the Debtors in support of their request for an expedited sale. The September 30th date was never a valid basis to push through an emergency sale of the Assets. It is also not a basis to grant the Debtors' Motion, at this time, over the objections filed to date. As explained by the Bankruptcy Court for the Southern District of Texas:

> Emergency sales of perishable assets may be justified at the commencement of a case. But when assets are sold immediately

> after the case is filed, the court can have very little confidence that all parties in interest have adequately organized, have received adequate notice, have obtained appropriate information, and have been able to participate in the proceedings. It takes time for official committees of creditors and equity interests to organize and to engage counsel, for the committees to hire financial or other experts if necessary, for government regulatory agencies to mobilize to participate in cases where they have a regulatory or other public interest, and for other creditors and parties in interest to determine whether (and how) to participate in the case. Proposals for quick sales, understood only by a few parties who would benefit from the sale, are inherently suspect.

*In re Gulf Coast Oil Corp.*, 404 B.R. 407, 423-24 (Bankr. S.D. Tex. 2009) (emphasis added). In this case, the record demonstrates that — based on the numerous objections raised to the proposed Sale, including those objecting to an undisclosed "secret" post-auction process outside the Bid Procedures — all parties in interest have not been adequately organized, have not obtained appropriate information relevant to the proposed Sale, *i.e.*, did not timely received critical due diligence, and have therefore not been able to meaningfully participate in the proposed Sale.

Further, it bears noting again that the full scope of the creditor body is unclear. It appears that total amount of claims in these cases will likely be three (3) to four (4) times higher than the amount originally scheduled by the Debtors. No claims bar date has been set in the Chapter 11 cases, and the Court currently has no way to assess what distributions the proposed Sale may realize for creditors. These creditors have not, to date, had a meaningful opportunity to object or to participate in this process.

At this specific point in the Chapter 11 cases, the Debtors and the Committee continue to have a duty to take only those actions which maximize the value of the specific Assets at issue. Based on the foregoing, AI respectfully submits that this Court should:

(i) deny the proposed Sale on the present record;

(ii) authorize and direct the Debtors to exercise the Option for the Adjacent Property on or before September 30, 2026, and to take all steps necessary to preserve the estates' rights thereunder;

(iii) adjourn the Sale Hearing to a date the Court sets well in advance of the December 15th Closing Date, to allow the Debtors, the Committee, and the creditors to make a fully informed decision on the merits of the options available to maximize recovery of value for the estate, whether it be by way of better and higher offers for the Assets, a plan of reorganization to operate the Assets, or through other alternative proposals and structures which will permit creditors to participate in the upside value of the Assets;

(iv) direct the Debtors to seek entry of an order establishing a claims bar date promptly, so that the size of the creditor body is known as early as possible; and

(v) grant such other and further relief as is just and equitable, including under section 105(a) of the Bankruptcy Code.

AI expressly reserves its right to be heard at the hearing on the proposed Sale on all matters raised in its Initial Objection and the instant Supplemental Objection, and to amend or further supplement this Supplemental Objection up to the time of the hearing.

Respectfully submitted,

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/s/ Joseph M. Shapiro

Dated: September 25, 2026

By: Joseph M. Shapiro, Esq.