

April 6, 2011

To: The Creditors of 2240534 Ontario Inc.
(formerly: *Forefront Innovative Technologies Inc.*)

**Re: In the Matter of the Bankruptcy of 2240534 Ontario Inc.
Estate No. 35-123987**

TAKE notice that 2240534 Ontario Inc. ("2240534") formerly *Forefront Innovative Technologies Inc* was deemed to have filed an Assignment in Bankruptcy on April 1, 2011. Schonfeld Inc. was appointed Trustee in Bankruptcy.

Enclosed you will find the statutory notice and other documents pertaining to the bankruptcy proceeding.

**SCHONFELD INC.
RECEIVERS + TRUSTEES
438 University Avenue
21ST Floor
Toronto, ON M5G 2K8**

T: (416) 862-7785

F: (416) 862-2136

E: rlink@schonfeldinc.com

District of: Ontario
Division No. 08 - Waterloo
Court No. 35-123987
Estate No. 35-123987

FORM 67
Notice of Bankruptcy and First Meeting of Creditors
(Subsection 102(1) of the Act)

In the Matter of the Bankruptcy of
2240534 ONTARIO INC.
of the City of Cambridge, in the Province of Ontario

Take notice that:

1. 2240534 ONTARIO INC. filed (or was deemed to have filed) an assignment on the 1st day of April 2011, and the undersigned, Schonfeld Inc., was appointed as trustee of the estate of the bankrupt by the official receiver (or the Court), subject to affirmation by the creditors of the trustee's appointment or substitution of another trustee by the creditors.

2. The first meeting of creditors of the bankrupt will be held on the 21st day of April 2011, at 10:00 o'clock AM, at the office of Schonfeld Inc., at 438 University Avenue, 2nd Floor, Toronto, Ontario.

3. To be entitled to vote at the meeting, a creditor must lodge with the trustee, before the meeting, a proof of claim and, where necessary, a proxy.

4. Enclosed with this notice is a proof of claim form, proxy form, and list of creditors with claims amounting to \$25 or more showing the amounts of their claims.

5. Creditors must prove their claims against the estate of the bankrupt in order to share in any distribution of the proceeds realized from the estate.

Dated at the City of Toronto in the Province of Ontario, this 6th day of April 2011.

Schonfeld Inc. - Trustee

Per:

Robert G. Link

2nd Floor

438 University Avenue

Toronto ON M5G 2K8

Phone: (416) 862-7785 Fax: (416) 862-2136

District of: Ontario
 Division No. 08 - Waterloo
 Court No. 35-123987
 Estate No. 35-123987

Original Amended

FORM 78
 Statement of Affairs (Business Bankruptcy) made by an entity
 (Subsection 49(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(1) of the Act)
 In the Matter of the Bankruptcy of
 2240534 ONTARIO INC.
 of the City of Cambridge, in the Province of Ontario

To the bankrupt:
 You are required to carefully and accurately complete this form and the applicable attachments showing the state of your affairs on the date of the bankruptcy, on the 1st day of April 2011. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

LIABILITIES (as stated and estimated by the officer)	ASSETS (as stated and estimated by the officer)
1. Unsecured creditors as per list "A" 208,831.65	1. Inventory 0.00
Balance of secured claims as per list "B" 5,914,369.00	2. Trade fixtures, etc. 0.00
Total unsecured creditors 6,123,200.65	3. Accounts receivable and other receivables, as per list "E"
2. Secured creditors as per list "B" 252,000.00	Good 0.00
3. Preferred creditors as per list "C" 0.00	Doubtful 0.00
4. Contingent, trust claims or other liabilities as per list "D"	Bad 4,650,000.00
estimated to be reclaimable for 0.00	Estimated to produce 0.00
Total liabilities 6,375,200.65	4. Bills of exchange, promissory note, etc., as per list "F" ... 0.00
Surplus NIL	5. Deposits in financial institutions 0.00
	6. Cash 2,000.00
	7. Livestock 0.00
	8. Machinery, equipment and plant 250,000.00
	9. Real property or immovable as per list "G" 0.00
	10. Furniture 0.00
	11. RRSPs, RRIFs, life insurance, etc. 0.00
	12. Securities (shares, bonds, debentures, etc.) 0.00
	13. Interests under wills 0.00
	14. Vehicles 0.00
	15. Other property, as per list "H" 0.00
	If bankrupt is a corporation, add:
	Amount of subscribed capital 0.00
	Amount paid on capital 0.00
	Balance subscribed and unpaid 0.00
	Estimated to produce 0.00
	Total assets 252,000.00
	Deficiency 6,123,200.65

I, _____ of _____ in the Province of Ontario, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge, a full, true and complete statement of my affairs on the 1st day of April 2011 and fully disclose all property of every description that is in my possession or that may devolve on me in accordance with the Act.

SWORN (or SOLEMNLY DECLARED)
 before me at the City of Toronto in the Province of Ontario, on this 1st day of April 2011.

 S. Harlan Schonfeld, Commissioner of Oaths
 For the Province of Ontario
 Expires Jun. 25, 2011

District of: Ontario
 Division No. 08 - Waterloo
 Court No. 35-123987
 Estate No. 35-123987

FORM 78 -- Continued

List "A"
 Unsecured Creditors

2240534 ONTARIO INC.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
1	Callidus Capital Corporation Attr: Sam Fleiser	Royal Trust Tower, Box 212 #4320 - 77 King Street West Toronto ON M5K 1K2	0.00	548,000.00	548,000.00
2	Cambridge & North Dumfries Hydro #161514 10004739	Box 1060 1500 Bishop Street Cambridge ON N1R 5X6	7,355.19	0.00	7,355.19
3	Canada Revenue Agency BN 816655666	275 Pope Road Summerside PE C1A 7N1	0.00	0.00	0.00
4	James Beingessner	39 Inverness Drive Kitchener ON N2M 2R6	0.00	1,366,369.00	1,366,369.00
5	Jonesbrown Insurance Brokers	Suite 1100 480 University Avenue Toronto ON M5G 1V2	18,995.00	0.00	18,995.00
6	Kensington Capital Partners Ltd.	Suite 905 95 St. Clair Avenue W. Toronto ON M4V 1N6	46,330.00	0.00	46,330.00
7	Kensington Solar Holdings L.P.	Suite 905 95 St. Clair Avenue West Toronto ON M4V 1N6	0.00	4,000,000.00	4,000,000.00
8	McCarthy Tetrault LLP	TD Bank Tower Box 48, Suite 5300 Toronto ON M5K 1E6	83,502.35	0.00	83,502.35
9	Morguard Investments Ltd. Attr: Attr: Tullio Capulli	Suite 800 55 City Centre Drive Mississauga ON L5B 1M3	1.00	0.00	1.00
10	O'Melveny & Myers LLP	2765 Sand Hills Road Menlo Park CA 94025 USA	14,961.55	0.00	14,961.55
11	Policy Concepts	Suite 404 40 Holly Street Toronto ON M4S 3C3	27,120.00	0.00	27,120.00
12	Rogers Wireless 6-1724-0494	c/o DRN Commerce P.O. Box 2514, Station B London ON N6A 4G9	3,408.20	0.00	3,408.20
13	Union Gas #415-2333-224-7018	P.O. Box 2025 Chatham ON N7M 6C7	7,158.36	0.00	7,158.36
Total:			208,831.65	5,914,369.00	6,123,200.65

01-Apr-2011

Date

District of: Ontario
 Division No. 08 - Waterloo
 Court No. 35-123987
 Estate No. 35-123987

FORM 78 -- Continued

List "B"
 Secured Creditors

2240534 ONTARIO INC.

No.	Name of creditor	Address	Amount of claim	Particulars of security	When given	Estimated value of security	Estimated surplus from security	Balance of claim unsecured
1	Callidus Capital Corporation Attr: Sam Fleiser	Royal Trust Tower, Box 212 #4320 - 77 King Street West Toronto ON M5K 1K2	800,000.00	Business Assets - Machinery - Fixed Assets	15-Oct-2010	250,000.00		
				Cash on hand - Scotiabank	15-Oct-2010	2,000.00		
				Debts Due - Business - Forefront Automation Inc.	15-Oct-2010	0.00		548,000.00
2	James Beingessner	39 Inverness Drive Kitchener ON N2M 2R6	1,366,369.00	Business Assets - Machinery - Fixed Assets	30-Apr-2010	0.00		
				Cash on hand - Scotiabank	30-Apr-2010	0.00		
				Debts Due - Business - Forefront Automation Inc.	30-Apr-2010	0.00		1,366,369.00
3	Kensington Solar Holdings L.P.	Suite 905 95 St. Clair Avenue West Toronto ON M4V 1N6	4,000,000.00	Business Assets - Machinery - Fixed Assets	30-Apr-2010	0.00		
				Cash on hand - Scotiabank	30-Apr-2010	0.00		
				Debts Due - Business - Forefront Automation Inc.	30-Apr-2010	0.00		4,000,000.00
Total:			6,166,369.00			252,000.00	0.00	5,914,369.00

01-Apr-2011

Date

District of: Ontario
Division No. 08 - Waterloo
Court No. 35-123987
Estate No. 35-123987

FORM 78 -- Continued

List "C"
Preferred Creditors for Wages, Rent, etc.

2240534 ONTARIO INC.

No.	Name of creditor	Address and occupation	Nature of claim	Period during which claim accrued	Amount of claim	Amount payable in full	Difference ranking for dividend
Total:					0.00	0.00	0.00

01-Apr-2011

Date

District of: Ontario
Division No. 08 - Waterloo
Court No. 35-123987
Estate No. 35-123987

FORM 78 -- Continued

List "D"
Contingent or Other Liabilities

2240534 ONTARIO INC.

No.	Name of creditor or claimant	Address and occupation	Amount of liability or claim	Amount expected to rank for dividend	Date when liability incurred	Nature of liability
			Total:	0.00	0.00	

01-Apr-2011

Date

District of: Ontario
 Division No. 08 - Waterloo
 Court No. 35-123987
 Estate No. 35-123987

FORM 78 – Continued

List "E"
 Debts Due to the Bankrupt
 2240534 ONTARIO INC.

No.	Name of debtor	Address and occupation	Nature of debt	Amount of debt (good, doubtful, bad)	Folio of ledgers or other book where particulars to be found	When contracted	Estimated to produce	Particulars of any securities held for debt
1	Forefront Automation Inc.	140 Turnbull Court Cambridge ON N1T 1J2	intercompany debt	0.00 0.00 4,650,000.00		31-Jan-2011	0.00	nil
Total:				0.00 0.00 4,650,000.00			0.00	

01-Apr-2011

Date

District of: Ontario
Division No. 08 - Waterloo
Court No. 35-123987
Estate No. 35-123987

FORM 78 -- Continued

List "F"

Bills of Exchange, Promissory Notes, Lien Notes, Chattel
Mortgages, etc., Available as Assets

2240534 ONTARIO INC.

No.	Name of all promissory, acceptors, endorsers, mortgagors, and guarantors	Address	Occupation	Amount of bill or note, etc.	Date when due	Estimated to produce	Particulars of any property held as security for payment of bill or note, etc.
Total:				0.00		0.00	

01-Apr-2011

Date

District of: Ontario
Division No. 08 - Waterloo
Court No. 35-123987
Estate No. 35-123987

FORM 78 -- Continued

List "G"
Real Property or Immovables Owned by Bankrupt

2240534 ONTARIO INC.

Description of property	Nature of bankrupt interest	In whose name does title stand	Total value	Particulars of mortgages, hypothecs, or other encumbrances (name, address, amount)	Equity or surplus
Total:			0.00		0.00

01-Apr-2011

Date

District of: Ontario
Division No. 08 - Waterloo
Court No. 35-123987
Estate No. 35-123987

FORM 78 -- Concluded

List "H"
Property

2240534 ONTARIO INC.

FULL STATEMENT OF PROPERTY

Nature of property	Location	Details of property	Original cost	Estimated to produce
(a) Stock-in-trade			0.00	0.00
(b) Trade fixtures, etc.			0.00	0.00
(c) Cash in financial institutions			0.00	0.00
(d) Cash on hand			2,000.00	2,000.00
(e) Livestock			0.00	0.00
(f) Machinery, equipment and plant	30 Struck Court	Fixed Assets	0.00	250,000.00
(g) Furniture			0.00	0.00
(h) Life insurance policies, RRSPs, etc			0.00	0.00
(i) Securities			0.00	0.00
(j) Interests under wills, etc			0.00	0.00
(k) Vehicles			0.00	0.00
(l) Taxes			0.00	0.00
			Total:	252,000.00

01-Apr-2011

Date

Court No. 35-123987

Estate No. 35-123987

In the Matter of the Bankruptcy of
2240534 ONTARIO INC.
of the City of Cambridge, in the Province of Ontario

Form 78 (Bill C-12)
Statement of affairs (Business bankruptcy)

Schonfeld Inc. - Trustee
Per:

Robert G. Link
2¹st Floor
438 University Avenue
Toronto ON M5G 2K8
Phone: (416) 862-7785 Fax: (416) 862-2136

District of: Ontario
Division No. 08 - Waterloo
Court No. 35-123987
Estate No. 35-123987

FORM 31 / 36
Proof of Claim / Proxy
In the Matter of the Bankruptcy of
2240534 ONTARIO INC.
of the City of Cambridge, in the Province of Ontario

All notices or correspondence regarding this claim must be forwarded to the following address:

In the matter of the bankruptcy of 2240534 ONTARIO INC. of the City of Cambridge in the Province of Ontario and the claim of _____, creditor.

I, _____, of the city of _____, a creditor in the above matter, hereby appoint the trustee identified below or _____, of _____, to be my proxyholder in the above matter, except as to the receipt of dividends, _____ (with or without) power to appoint another proxyholder in his or her place.

I, _____ (name of creditor or representative of the creditor), of the city of _____ in the province of _____ do hereby certify:

1. That I am a creditor of the above named debtor (or I am _____ (position/title) of _____ creditor).

2. That I have knowledge of all the circumstances connected with the claim referred to below.

3. That the debtor was, at the date of bankruptcy, namely the 1st day of April 2011, and still is, indebted to the creditor in the sum of \$ _____, as specified in the statement of account (or affidavit or solemn declaration) attached and marked Schedule "A", after deducting any counterclaims to which the debtor is entitled. (The attached statement of account or affidavit must specify the vouchers or other evidence in support of the claim.)

4. (Check and complete appropriate category.)

A. UNSECURED CLAIM OF \$ _____

(other than as a customer contemplated by Section 262 of the Act)

That in respect of this debt, I do not hold any assets of the debtor as security and
(Check appropriate description.)

Regarding the amount of \$ _____, I claim a right to a priority under section 136 of the Act.

Regarding the amount of \$ _____, I do not claim a right to a priority.
(Set out on an attached sheet details to support priority claim.)

B. CLAIM OF LESSOR FOR DISCLAIMER OF A LEASE \$ _____

That I hereby make a claim under subsection 65.2(4) of the Act, particulars of which are as follows:
(Give full particulars of the claim, including the calculations upon which the claim is based.)

C. SECURED CLAIM OF \$ _____

That in respect of this debt, I hold assets of the debtor valued at \$ _____ as security, particulars of which are as follows:
(Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.)

D. CLAIM BY FARMER, FISHERMAN OR AQUACULTURIST OF \$ _____

That I hereby make a claim under subsection 81.2(1) of the Act for the unpaid amount of \$ _____
(Attach a copy of sales agreement and delivery receipts.)

E. CLAIM BY WAGE EARNER OF \$ _____

That I hereby make a claim under subsection 81.3(8) of the Act in the amount of \$ _____.

That I hereby make a claim under subsection 81.4(8) of the Act in the amount of \$ _____.

F. CLAIM BY EMPLOYEE FOR UNPAID AMOUNT REGARDING PENSION PLAN OF \$ _____

That I hereby make a claim under subsection 81.5 of the Act in the amount of \$ _____.

That I hereby make a claim under subsection 81.6 of the Act in the amount of \$ _____.

G. CLAIM AGAINST DIRECTOR \$_____

(To be completed when a proposal provides for the compromise of claims against directors.)

That I hereby make a claim under subsection 50(13) of the Act, particulars of which are as follows:

(Give full particulars of the claim, including the calculations upon which the claim is based.)

H. CLAIM OF A CUSTOMER OF A BANKRUPT SECURITIES FIRM \$_____

That I hereby make a claim as a customer for net equity as contemplated by section 262 of the Act, particulars of which are as follows:

(Give full particulars of the claim, including the calculations upon which the claim is based.)

5. That, to the best of my knowledge, I _____ (am/am not) (or the above-named creditor _____ (is/is not)) related to the debtor within the meaning of section 4 of the Act, and _____ (have/has/have not/has not) dealt with the debtor in a non-arm's-length manner.

6. That the following are the payments that I have received from, and the credits that I have allowed to, and the transfers at undervalue within the meaning of subsection 2(1) of the Act that I have been privy to or a party to with the debtor within the three months (or, if the creditor and the debtor are related within the meaning of section 4 of the Act or were not dealing with each other at arm's length, within the 12 months) immediately before the date of the initial bankruptcy event within the meaning of Section 2 of the Act: (Provide details of payments and credits.)

(Applicable only in the case of the bankruptcy of an individual.)

I request that a copy of the report filed by the trustee regarding the bankrupt's application for discharge pursuant to subsection 170(1) of the Act be sent to the above address.

Dated at _____, this _____ day of _____.

Witness

Individual Creditor

Witness

Name of Corporate Creditor

Per _____
Name and Title of Signing Officer

Return To:

Phone Number: _____

Fax Number: _____

E-mail Address: _____

Schonfeld Inc. Trustee
Per:

Robert G. Link
21st Floor
438 University Avenue
Toronto ON M5G 2K8
Phone: (416) 862-7785 Fax: (416) 862-2136

NOTE: If an affidavit is attached, it must have been made before a person qualified to take affidavits.

WARNINGS: A trustee may, pursuant to subsection 128(3) of the Act, redeem a security on payment to the secured creditor of the debt or the value of the security as assessed, in a proof of security, by the secured creditor. Subsection 20(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.