

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

TARONIS FUELS, INC., *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 22-11121 (BLS)

(Jointly Administered)

**Re: Docket No. 783**

**ORDER (I) GRANTING INTERIM APPROVAL  
OF THE DISCLOSURES IN THE COMBINED PLAN AND DISCLOSURE  
STATEMENT; (II) SCHEDULING A COMBINED CONFIRMATION HEARING  
AND SETTING DEADLINES RELATED THERETO; (III) APPROVING  
SOLICITATION PACKAGES AND PROCEDURES; (IV) APPROVING  
THE FORMS OF BALLOTS; AND (V) GRANTING RELATED RELIEF**

Upon consideration of the *Debtors' Motion for Entry of an Order (I) Granting Interim Approval of the Adequacy of the Disclosures in the Combined Plan and Disclosure Statement; (II) Scheduling a Combined Confirmation Hearing and Setting Deadlines Related Thereto; (III) Approving Solicitation Packages and Procedures; (IV) Approving the Forms of Ballots; and (V) Granting Related Relief* (the "Motion")<sup>2</sup> filed by the above-captioned debtors and debtors in possession (the "Debtors"); and based on the record in these chapter 11 cases; and the Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012; and the Court having found that this is a core proceeding pursuant to 28 U.S.C.

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits (if any) of each Debtor's federal tax identification number include: Taronis Fuels, Inc. (7454), Taronis Sub IV LLC (6662), Taronis Sub III LLC (5826), Taronis Sub V LLC (8686), MagneGas Real Estate Holdings, LLC (7412), MagneGas IP, LLC (0988), MagneGas Production, LLC (7727), Taronis Sub I LLC (4205), Taronis-TAS, LLC (2356), Taronis-TAH, LLC (3542), and Taronis Sub II LLC (9673). The location of the Debtors' service address in these chapter 11 cases is c/o Aurora Management Partners (Attn: Tim Turek and David Baker) 112 South Tryon St., Suite 1770, Charlotte, NC 28284.

<sup>2</sup> Capitalized terms not defined herein shall have the same meanings ascribed to them in the Motion or the Combined Plan and Disclosure Statement, as applicable.

§ 157(b)(2) and that the Court may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that sufficient notice of the Motion has been given and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court; and the Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor,

**THE COURT HEREBY FINDS AS FOLLOWS:**

A. The *Amended Combined Joint Chapter 11 Plan of Liquidation and Disclosure Statement of Taronis Fuels, Inc., and its Debtor Affiliates* [Docket No. 832], (as may be further amended from time to time, the "Combined Plan and Disclosure Statement"), filed on June 24, 2024, contains adequate information within the meaning of section 1125 of the Bankruptcy Code for purposes of solicitation, subject to final approval at the Combined Hearing.

B. The contents of the Solicitation Package and Non-Voting Status Notices, as set forth in the Motion, comply with Bankruptcy Rules 2002 and 3017 and constitute sufficient notice to all interested parties including, without limitation, Holders of Claims against and Interests in the Debtors.

C. The Tabulation Procedures provide for a fair and equitable voting process and are consistent with section 1126 of the Bankruptcy Code.

D. The Combined Hearing Notice, substantially in the form attached hereto as **Exhibit 1**, satisfies the requirements of due process with respect to all Holders of Claims and Interests, whether known or unknown.

E. The form of Ballot attached hereto as **Exhibit 2**: (i) is sufficiently consistent with Official Form B314; (ii) adequately addresses the particular needs of the Debtors' Chapter 11 Cases; and (iii) is appropriate for the Voting Class.

F. Ballots need not be provided to Holders of Claims against or Interests in the Debtors in the Non-Voting Classes, as such Classes are either unimpaired and conclusively presumed to have accepted the Combined Plan and Disclosure Statement in accordance with section 1126(f) of the Bankruptcy Code or are deemed to reject the Combined Plan and Disclosure Statement under section 1126(g) of the Bankruptcy Code or otherwise.

G. The voting instructions and procedures attached to the Ballots provide for a fair and equitable voting process and are consistent with section 1126 of the Bankruptcy Code and the applicable Bankruptcy Rules.

H. The period during which the Debtors may solicit votes to accept or reject the Combined Plan and Disclosure Statement, as established by this Order, provides sufficient time for Holders of Claims in the Voting Class to make informed decisions to accept or reject the Combined Plan and Disclosure Statement, and submit their Ballots in a timely fashion.

**IT IS HEREBY ORDERED THAT:**

1. The Motion is granted as set forth herein.
2. The Combined Plan and Disclosure Statement is approved on an interim basis as containing adequate information within the meaning of section 1125 of the Bankruptcy Code. Any objections to the adequacy of the information contained in the Disclosures are expressly reserved

for consideration at the Combined Hearing to consider final approval of the Disclosures and confirmation of the Combined Plan and Disclosure Statement and related deadlines.

3. The procedures set forth in the Motion for the solicitation and tabulation of votes to accept or reject the Combined Plan and Disclosure Statement provide for a fair and equitable voting process and are consistent with section 1126 of the Bankruptcy Code.

4. The form of Combined Hearing Notice attached hereto as **Exhibit 1** is approved in all respects. The Debtors shall serve the Combined Hearing Notice on: (i) all parties filing a notice of appearance and request for service pursuant to Bankruptcy Rule 2002 in the Chapter 11 Case, (ii) state and local taxing authorities in which the Debtors did business, (iii) the Internal Revenue Service, (iv) holders of Claims or Interests in the Non-Voting Classes, (v) the United States Trustee, (vi) all persons or entities listed on the Debtor's creditor mailing matrix, (vii) all persons or entities listed on the Debtor's Schedules; (viii) the Securities and Exchange Commission; and (ix) all holders of Claims or Interests (to the extent not otherwise included in the foregoing) no later than four (4) business days after the entry of this Order, and such service is sufficient and adequate notice of the Combined Hearing and of the Combined Plan and Disclosure Statement. Any provisions of Bankruptcy Rule 3017(d) requiring the Debtors to distribute the Combined Plan and Disclosure Statement to parties not entitled to vote, whether because they are unimpaired or because they are deemed to reject the Combined Plan and Disclosure Statement, are waived; *provided, however*, that the Combined Plan and Disclosure Statement shall remain posted in .pdf format at the case website found at <https://www.donlinrecano.com/Clients/tfi/Index> and maintained by the Claims and Noticing Agent and shall be provided in either electronic or paper form to any party in interest upon request to the Debtors.

5. The form of Ballot attached hereto as **Exhibit 2** is approved in all respects.

6. The Combined Hearing is scheduled for **August 14, 2024 at 10:00 a.m. (ET)** at the United States Bankruptcy Court for the District of Delaware, before the Honorable Judge Brendan L. Shannon in the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, 6th Floor, Courtroom No. 1, Wilmington, DE 19801. The Combined Hearing may be adjourned from time to time. If the Combined Hearing is adjourned, the Debtors will file a notice of adjournment on the docket and serve it by email if available, otherwise by first class or overnight mail, on the parties who have requested notice pursuant to Bankruptcy Rule 2002 and Local Rule 2002-1(b) and on any parties that have filed objections to approval of the Disclosures or confirmation of the Combined Plan and Disclosure Statement.

7. The Voting Record Date, for purposes of determining the Holders of Claims in Class 3 entitled to receive the Solicitation Package and to vote on the Combined Plan and Disclosure Statement, shall be **two (2) business days after entry of this Order**.

8. The Debtors are authorized to distribute or cause to be distributed no later than four (4) business days after entry of this Order to the Voting Class copies of: (i) the Combined Hearing Notice; (ii) a Ballot; and (iii) and such other materials as this Court may direct or approve, or that the Debtors deem appropriate. The Debtors are authorized to make non-substantive and ministerial changes to any documents in the Solicitation Package without further approval of the Court prior to its dissemination, including, without limitation, changes to correct typographical and grammatical errors and to make conforming changes to the Combined Plan and Disclosure Statement and any other materials included in the Solicitation Package prior to their distribution.

9. The Debtors are not required to distribute paper copies of the Combined Plan and Disclosure Statement to Holders of Claims and Interests unless such Holder makes a request for copies of such documents to the Debtors or to the Solicitation Agent at least five (5) business days

before the Voting Deadline, by email to [tfiinfo@donlinrecano.com](mailto:tfiinfo@donlinrecano.com) or by telephone at 1-866-703-9066 (US & Canada toll free).

10. The Non-Voting Status Notice, substantially in the form attached hereto as **Exhibit 3**, is approved and constitutes sufficient notice to Holders in the Non-Voting Classes.

11. The Non-Voting Status Notice constitutes a Court-approved summary of the Combined Plan and Disclosure Statement pursuant to Bankruptcy Rule 3017(d).

12. Ballots must be received on or before **August 7, 2024 at 4:00 p.m. (ET)** (the “Voting Deadline”), unless extended by the Debtor, in writing in accordance with the instructions on the Ballot and set forth in the Motion.

13. Any Plan Supplement must be filed with this Court not later than **July 31, 2024**.

14. If any party seeks to have a claim temporarily allowed for purposes of voting to accept or reject the Combined Plan and Disclosure Statement pursuant to Bankruptcy Rule 3018(a), such party is required to file a motion (the “3018 Motion”) for such relief by no later than **July 11, 2024**. The deadline for parties to object to a 3018 Motion shall be **July 18, 2024**.

15. As to any creditor filing a 3018 Motion, such creditor’s Ballot shall not be counted unless temporarily allowed by agreement of the Debtors or by the Court for voting purposes after notice and a hearing, either at or prior to the Combined Hearing.

16. Objections to the adequacy of the Disclosures or confirmation of the Combined Plan and Disclosure Statement must be in writing, must conform to the Bankruptcy Rules and Local Rules, must set forth the name of the objector, the nature and amount of Claims or Interests held or asserted by the objector against the Debtors, the basis for the objection and the specific grounds of the objection, and must be filed with the Court, together with proof of service thereof, and served upon: (a) counsel for the Debtors, Potter Anderson Corroon LLP, 1313 N. Market

Street, 6th Floor, Wilmington, DE 19801 (Attn: Jeremy W. Ryan, email: jryan@potteranderson.com) and (b) Office of the United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801 (Attn: Linda Casey, email: Linda.Casey@usdoj.gov) in a manner as will cause such objection to be received by all such parties **no later than 4:00 p.m. (ET) on August 7, 2024**. Any objections not filed and served as set forth above will not be considered by the Court.

17. Any brief, declaration, affidavit, reply, or other pleading in support of the Combined Plan and Disclosure Statement voting certification shall be filed **by no later than August 12, 2024 at 12:00 p.m. (ET)**.

18. All time periods referenced in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

19. The terms and conditions of this Order are immediately effective and enforceable upon its entry.

20. The Debtors are authorized to take any action necessary or appropriate to implement the terms of and the relief granted in this Order without seeking further order of the Court.

21. This Court shall retain jurisdiction over all matters related to or arising from the Motion or the interpretation or implementation of this Order.

Dated: June 28th, 2024  
Wilmington, Delaware

  
BRENDAN L. SHANNON  
UNITED STATES BANKRUPTCY JUDGE