UNITED STATES BANKRUPTCY COURT

FOR THE DISTRICT OF MINNESOTA

In re: Jointly Administered Ch. 11 Cases under Case No. 17-31670 (KHS)

Stinar HG, Inc., Case No. 17-31670

Oakridge Holdings, Inc. Case No. 17-31669

Debtors.

DISCLOSURE STATEMENT OF
OAKRIDGE HOLDINGS, INC.

April 16, 2018

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THIS DISCLOSURE STATEMENT HAS NOT BEEN APPROVED OR DISAPROVED BY THE SECURITIES AND EXCHANGE COMMISSION NOR HAS THE COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF STATEMENTS CONTAINED HEREIN.

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I.

INTRODUCTION

A. Background.

Oakridge Holdings, Inc. (hereafter referred to as "Debtor" or "Oakridge"), filed a petition for reorganization ("Petition") under Chapter 11 of the U.S. Bankruptcy Code (the "Code") on May 22, 2017 (the "Petition Date"). The Debtor filed bankruptcy along with its wholly owned subsidiary, Stinar, HG, Inc. ("Stinar") which filed bankruptcy in this District on the same date under case number 17-31670 (the Debtor and Stinar are sometimes referred to herein as the "Debtor Entities"). The Debtor has operated its business as Debtor in Possession under Section 1107 of the Code. The Debtor is now seeking confirmation of its liquidating plan of reorganization (the "Plan") from the Court. A copy of the Plan accompanies this disclosure statement. Debtor provides this disclosure statement pursuant to Section 1125 of the Code to all of its known holders of claims and interests in order to provide adequate information about the Debtor and the Plan so that they can make an informed judgment about the Plan's merits and the decision to vote for acceptance or rejection of the Plan.

Debtor requests that its creditors vote to accept the Plan. As of the Petition Date, Debtor's principal asset was the 100% ownership of Stinar. As set forth in Exhibit 2, Stinar has a liquidation value of $2,226,791, which is insufficient to pay its secured creditors and thus would provide no return to the unsecured creditors of Stinar or Stinar's sole shareholder, Oakridge nor, by proxy, any unsecured creditor or equity security holder of Oakridge. Oakridge also listed on its schedules an intercompany account due from Stinar in the amount of $422,265 which both debtors believe is more properly treated as a contribution to capital based on the records of the two companies including the lack of any inter-company loan agreements or other documentation. However, based on the low priority of the alleged loan as insider debt, even if the $422,265 sum was treated as an asset of Oakridge, the asset would only have value if Stinar funded its plan of reorganization to pay the insider debt. Stinar does not have the funds available to pay this additional amount and the DIP lender, Kruckeberg Industries would refuse to pay this insider debt even if it were kept on the books as an inter-company loan. Further, as stated above, in the case of a liquidation of Stinar, Oakridge would receive no funds from the liquidation based on the relative lack of value of Stinar were it to be liquidated.

Oakridge is a guarantor on one of the two loans taken out by Stinar from Signature Bank. The Signature Bank loan guaranteed by Oakridge had a balance of $831,715 as of the filing date. Stinar also has an additional loan through the Small Business Administration ("SBA") that is also guaranteed by Oakridge. At the Petition date, the separate SBA 504 Loan had a balance of $632,585. If Stinar were not reorganized and liquidated the only funds available would go to secured creditors. Therefore, the Debtor's Unsecured creditors will receive more under the Plan than under a forced liquidation of the Debtor.

THE INFORMATION SET FORTH IN THIS DISCLOSURE STATEMENT IS SUPPLIED BY DEBTOR AND NOT BY ANY OTHER PARTY. DEBTOR AUTHORIZES NO REPRESENTATIONS, PARTICULARLY AS TO ITS FUTURE BUSINESS OPERATIONS OR THE VALUE OF ITS PROPERTY, OTHER THAN THOSE SET FORTH IN THIS DISCLOSURE STATEMENT. ANY REPRESENTATIONS OR INDUCEMENTS MADE TO SECURE ACCEPTANCE, WHICH ARE OTHER THAN AS CONTAINED IN THIS DISCLOSURE STATEMENT, SHOULD NOT BE RELIED UPON IN ARRIVING AT A DECISION TO VOTE FOR OR AGAINST THE PLAN.

THE INFORMATION CONTAINED HEREIN HAS NOT BEEN SUBJECT TO A CERTIFIED AUDIT. FORMAL APPRAISALS HAVE NOT BEEN OBTAINED. ALL STATEMENTS CONCERNING FINANCIAL DATA ARE MADE IN GOOD FAITH AND ARE INTENDED TO BE AS COMPLETE AND AS ACCURATE AS POSSIBLE WITHIN THESE LIMITATIONS. THERE IS NO ASSURANCE THAT THE FIGURES SHOWN IN THE PROJECTIONS WILL BE ACHIEVED. DEBTOR IS UNABLE TO WARRANT OR

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B. Confirmation Hearing and Voting Procedures.

The bankruptcy court with jurisdiction over this case has, in the order accompanying this disclosure statement, approved this Disclosure Statement as providing sufficient information for creditors to vote on the plan and set a time and place for a hearing on the confirmation of the Plan. Creditors and interest holders may vote for or against the Plan by completing, dating, and signing the ballot accompanying this disclosure statement and by mailing or otherwise delivering the ballot to the Clerk of Bankruptcy Court. YOUR BALLOT MUST BE RECEIVED BY THE CLERK OF BANKRUPTCY COURT BY THE TIME PROVIDED FOR IN THE COURT'S ORDER.

C. Tax Consequences.

The following discussion summarizes certain federal income tax consequences of the Plan to the Debtor, and to holders of general unsecured claims and interests. This summary does not address the federal income tax consequences to holders of allowed administrative expense claims, priority claims, or secured claims. This summary does not address foreign, state or local income tax consequences, or any estate or gift tax consequences of the Plan, nor does it address the federal income tax consequences of the Plan to special classes of taxpayers. Accordingly, this summary should not be relied upon for purposes of determining the specific tax consequences of the Plan with respect to a particular holder of a claim or interest.

THE TAX CONSEQUENCES TO HOLDERS OF CLAIMS OR INTEREST MAY VARY BASED UPON THE INDIVIDUAL CIRCUMSTANCES OF EACH SUCH HOLDER. THIS SUMMARY DOES NOT CONSTITUTE TAX ADVICE OR A TAX OPINION CONCERNING THE MATTERS DESCRIBED. THERE CAN BE NO ASSURANCE THAT THE INTERNAL REVENUE SERVICE WILL NOT CHALLENGE ANY OR ALL OF THE TAX CONSEQUENCES DESCRIBED HEREIN, OR THAT SUCH A CHALLENGE, IF ASSERTED, WOULD NOT BE SUSTAINED. ACCORDINGLY, EACH HOLDER OF A CLAIM OR INTEREST IS STRONGLY URGED TO CONSULT WITH HIS, HER OR ITS OWN TAX ADVISOR REGARDING THE FEDERAL, STATE, LOCAL, FOREIGN OR OTHER TAX CONSEOUENCES OF THE PLAN

(1) FEDERAL INCOME TAX CONSEQUENCES TO THE DEBTOR.

The Debtor anticipates that confirmation of the Plan will have no federal income tax consequences for the Debtor or Post-Confirmation Estate. During the Chapter 11 case, the Debtor has paid its post-petition tax obligations in the ordinary course of its business pursuant to the tax laws.

(2) FEDERAL INCOME TAX CONSEQUENCES TO HOLDERS OF GENERAL UNSECURED CLAIMS.

The tax consequences to holders of general unsecured claims will differ and will depend on factors specific to such holder, including but not limited to: (i) whether the claim, or a portion thereof, constitutes a claim for interest or principle, (ii) the origin of the claim, (iii) the type of consideration received in exchange for the claim, (iv) whether the holder is a United States person or a foreign person for tax purposes, (v) whether the holder reports income on the accrual or cash basis method, and (vi) whether the holder has taken a bad debt deduction or otherwise recognized a loss with respect to the claim.

THERE ARE MANY FACTORS THAT WILL DETERMINE THE TAX CONSEQUENCE TO EACH HOLDER OF A GENERAL UNSECURED CLAIM. FURTHERMORE, THE TAX CONSEQUENCES OF THE PLAN ARE COMPLEX, AND IN SOME CASES, UNCERTAIN. THEREFORE, IT IS IMPORTANT THAT EACH HOLDER OF A GENERAL UNSECURED CLAIM OBTAIN HIS, HER OR ITS OWN PROFESSIONAL TAX ADVICE REGARDING THE TAX CONSEQUENCES TO SUCH HOLDER OF A GENERAL UNSECURED CLAIM AS A RESULT OF THE PLAN.

II.

WITHHOLDING AND REPORTING

Payments of interest, dividends, and certain other payments are generally subject to backup withholding at the rate of 28% unless the payee furnishes his, her or its correct taxpayer identification number to the payor. The Debtor may be required to withhold the applicable percentage of any payments made to a holder who does not provide its taxpayer identification number. Backup withholding is not an additional tax, but an advance payment that may be refunded to the extent it results in an overpayment of tax.

THE FOREGOING IS INTENDED TO BE ONLY A SUMMARY OF CERTAIN FEDERAL INCOME TAX CIRCUMSTANCES OF THE PLAN, AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING WITH A TAX PROFESSIONAL. THE FEDERAL, STATE AND LOCAL INCOME AN OTHER TAX CONSEQUENCES OF THE PLAN ARE COMPLEX AND, IN SOME CASES, UNCERTAIN. SUCH CONSEQUENCES MAY ALSO VARY BASED ON THE INDIVIDUAL CIRCUMSTANCES OF EACH HOLDER OF A CLAIM OR INTEREST. ACCORDINGLY, EACH HOLDER OF A CLAIM OR INTEREST IS STRONGLY URGED TO CONSULT WITH HIS, HER OR ITS OWN TAX ADVISOR REGARDING THE FEDERAL, STATE, AND LOCAL INCOME AND OTHER TAX CONSEQUENCES UNDER THE PLAN.

III.

OWNERSHIP AND BUSINESS HISTORY OF THE DEBTOR

Oakridge Holdings, Inc. has one business segment — aviation ground support equipment and only operates in this business segment through the activities of its wholly owned subsidiary, Stinar HG, Inc.

Oakridge was incorporated in Minnesota in 1961 and began operations on March 6, 1961, with two cemeteries in Cook County, Illinois, selling cemetery property, merchandise and service.

On June 29, 1998, Oakridge acquired substantially all of the assets of Stinar Corporation (now Stinar HG, Inc.), a Minnesota corporation. Stinar Corporation has been in business for 67 years and is an established international manufacturer, and its products are used by the airline support equipment industry.

Stinar is a global manufacturer of ground support equipment for the aviation industry which is used for servicing, loading, and maintaining all types of aircraft for both commercial and government aviation companies and airports. These products are sold and marketed through our technically oriented sales staff as well as through independent distributors and sales representatives.

On December 11, 2013 Oakridge entered into a Stock Purchase Agreement (the "Agreement") with Robert C Harvey, Oakridge's Chief Executive Officer and Chief Financial Officer and a director and the Chairman of the Board of Directors of Oakridge, pursuant to which Oakridge agreed to sell to Mr. Harvey the shares of common stock of Lain and Son, Inc. ("Lain"), a wholly-owned subsidiary of Oakridge. Lain and its subsidiaries owned the assets used in the operation of Oakridge's Cemetery segment.

The purchase price payable to Oakridge under the Agreement was $2,060,000, consisting of (1) $1,500,000 in cash and (2) satisfaction of $560,000 in indebtedness owned by Oakridge to Mr. Harvey in the form of (i) $410,000 principal amount of debentures and (ii) a short-term loan of $150,000. The terms of the Agreement were determined pursuant to negotiations between Mr. Harvey and

Oakridge's directors other than Mr. Harvey.

The closing of the transactions contemplated by the Agreement (the "Transactions") occurred December 23, 2013. Following completion of the Transactions, Mr. Harvey continued in his role as Oakridge's Chief Executive Officer and Chief Financial Officer and a director and the Chairman of the Board of Directors of Oakridge.

Oakridge has approximately 1,500 shareholders holding approximately 1,400,000 shares. The two largest shareholders of Oakridge are Robert Harvey who holds approximately 21% of the outstanding shares and Robert Gregor who holds approximately 10% of the outstanding shares. The stock of Oakridge is not listed on any exchange and the stock has few trades in the marketplace. The best information that Oakridge has is that shortly before the bankruptcy filing Oakridge's stock traded at about two cents per share.

IV.

EVENTS LEADING TO REORGANIZATION

When Stinar was acquired by Oakridge in 1998, international business comprised a third of its business. In 2010, it dropped to 14%. In 2016 it represented 1% of their business. The drop is attributed to a variety of issues. Stinar has not been able to replace this international business with U.S. customers or sales.

In addition, the recently imposed sequestration on purchases by the United States government has had a major impact on Stinar's government business. The percentage of government business for the past 8 years is as follows:

2010, 65%
2011, 73%
2012, 66%
2013, 70%
2014, 42%
2015, 18%
2016, 7%
2017, 8%

Oakridge employed three different Auditors in two year prior to the Petition Date. This grossly delayed the filings with the Security Exchange Commission ("SEC") and hence Oakridge became delinquent on those filings. This caused a default in Stinar's agreement with its primary lender, Signature Bank. Signature Bank was unwilling to re-negotiate the terms of the three loans it has with Oakridge and the bank increased Stinar's interest rate on all its loans to 10% per year which had a considerable impact on Stinar's ability to use its cash to purchase inventory and parts to meets its sales orders.

In August of 2016, Stinar entered into two agreements with Kruckeberg Industries ("Kruckeberg"), a Blooming Prairie, Minnesota based injection molding and industrial manufacturer. The agreements were a long-term management agreement and an agreement to sell all of Stinar's assets to Kruckeberg. Based on the status of Stinar's parent corporation as a publicly traded company, Oakridge received advice that they would need to have a shareholder vote to dispose of the assets of Stinar. Stinar believed and still believes that it would be impossible to obtain the vote of a majority of its shareholders for the sale of the assets of Stinar as the shares of Oakridge were originally issued in 1961 and there is little trading in Oakridge. Oakridge believes many of the shareholders on Oakridge's shareholder list are either deceased, aged or cannot be found. The two companies therefore chose to enter into a Chapter 11 Reorganization filing to provide an exit strategy for the investors through either a reorganization or a sale of Stinar's assets, provide cash flow support for Oakridge's debts and to restructure Stinar's secured debt. Unfortunately, despite a turnaround in Stinar's business through the infusion of capital from Kruckeberg, Stinar is still in a negative position with regard to its assets. That is, Stinar would only have enough assets upon liquidation to pay its secured lenders, and then only in part. Because of this, upon liquidation of Stinar, none of Oakridge's creditors would be entitled to payment of any of their debts and no Oakridge shareholder would receive a return on their investment in Oakridge

Although the management agreement with Kruckeberg was terminated pre-petition, Kruckeberg has continued to voluntarily assist the operation of Stinar during the course of the bankruptcy and has obtained the right under two orders of the Bankruptcy Court to loan money to Stinar on a Super-priority basis on what are called "Debtor in Possession" or "DIP" loans. The total owed to Kruckeberg from Stinar from outstanding DIP loans is $364,000 and secured pre-petition debt consisting of a loan to the company and unpaid management fees (see description of all of Kruckeberg's claims below) is currently $143,820 (for a total owing to Kruckeberg of $507,820) plus on-going interest. Stinar has not paid any of the DIP loan back to Kruckeberg and the DIP loan is currently due and owing from Stinar.

V.

LITIGATION

A. Reservation of All Rights, Claims and Actions.

Debtor is currently not engaged in any litigation. Debtor is in the process of investigating its rights to recovery, if any, under the Bankruptcy Code, including preference actions and the like. Debtor reserves the right to commence adversary proceedings, object to claims, or take any other legal action allowed by the Bankruptcy Code, or other applicable law, and use all funds recovered from such proceedings to fund the Plan, and for operations.

VI.

LIQUIDATION PLAN

A. Overview.

Stinar intends to continue to operate its business, and increase its profitability. Stinar has taken steps to reduce overhead and expenditures while maintaining a sufficient level of equipment and expertise to continue its operations. This has only been possible with the participation of Kruckeberg and the infusion of the funds from the two DIP loans. Stinar intends to increase its sales force in the next 12 months to allow it to provide for the payment to the creditors of both companies as set forth in their respective plans of reorganization.

Summary of the Plan.

Oakridge, cognizant of the consequences to its creditors in the event a plan of reorganization is not confirmed, developed its Plan to liquidate its assets and then dissolve as a corporate entity. The Plan provides for payment in full of the allowed priority claims and also provide a recovery for each class of claims above what they could recover in any other liquidation such as a liquidation under Chapter 7 of the United States Bankruptcy Code.

The following description of the Plan is qualified by the terms of the Plan itself. Creditors should read both the Disclosure Statement and the Plan carefully and seek competent advice for any questions they may have.

B. Unclassified Claims.

Unclassified claims include:

(a) All fees payable, including quarterly fees payable to the United States Trustee and any court fees, as required under 28 U.S.C. § 1930(a)(6). As of the date hereof, Oakridge is current with such fees.

(b) Post-petition Claims, incurred in the ordinary course of Oakridge's business other than those listed in paragraph c and d below. Oakridge is current with all such expenses as of the date hereof.

(c) Allowed Priority Expense Claims, except as otherwise classified herein, including:

1. Allowed administrative expense fees and expenses of counsel for the Debtor and accountants for the Debtor pursuant to 11 U.S.C. § 503(b) as well as any other professionals hired by the Debtor and whose retention and fees have been or will be approved by the Court.

2. Administrative Claims of taxing authorities for post-petition taxes under 11 U.S.C. § 507(a)(2) and 503(b). Debtor is current on post-petition taxes.

(d) Claims of taxing authorities for pre-petition taxes entitled to priority by reason of 11 U.S.C. § 507(a)(8). Total owed in this class is described below.

Treatment of Administrative Priority Claims:

The foregoing Allowed Administrative (507(a)(2)) Claims will be satisfied by payment in full on the Effective Date, to the extent not otherwise paid in the ordinary course of business as the same become due or as agreed upon by a particular Claimant. Oakridge estimates that attorney's fees and costs for the two jointly administered Debtors will total approximately $200,000 to $250,000, all of which will be paid for by Stinar. Stinar will continue to pay all fees payable, including quarterly trustee fees, and any other court fees, that come due until the Chapter 11 case is closed, converted or dismissed, as required by 28 U.S.C. §

1930, but subject to any amendments to the Bankruptcy Code made retroactively applicable to this case. After confirmation, the Debtor agrees to submit quarterly operating reports to the United States Trustee, in the format prescribed by the trustee until the case is closed, dismissed or converted.

Treatment of Non-Administrative Priority Claims:

1) Amount of Claims

a) The Internal Revenue Service ("IRS") has filed a proof of claim for $11,185.34 for unpaid priority income taxes. To the extent that the claims of any taxing authority, state or federal are allowed under 11 USC § 507(a)(8) by the Bankruptcy Court, Stinar shall fund the payment of the allowed claims in regular monthly installments, over a period of no more than 60 months from the date of the filing of Debtor's Bankruptcy Petition with interest as required by applicable state or federal law. If those payments started in June of 2018, the payments would be $252.15 per month, assuming interest runs at the current rate of 4% per annum.

b) The Minnesota Department of Revenue ("MNDOR") has filed a proof of claim for $227,434.57 for unpaid taxes related to the sale of Oakridge's cemetery business. Debtor is objecting to the claim of MNDOR because it believes that the gain on the sale of the cemetery business should have been allocated to the state of Illinois. Oakridge will be filing an amended tax return with the state of Minnesota and file an objection to the proof of claim filed by MNDOR. Nevertheless, to the extent that the claims of any taxing authority, state or federal are allowed under 11 USC § 507(a)(8) by the Bankruptcy Court, Stinar shall fund the payment of the allowed claims in regular monthly installments, over a period of no more than 60 months from the date of the filing of Debtor's Bankruptcy Petition with interest as required by applicable state or federal law. If that claim is allowed in full and started in June of 2018, the payments would be $4,166.678 per month, assuming interest runs at the current rate of 4% per annum.

C. Classified Claims and Interests.

All Classified Claims against Debtor are set forth below, along with the treatment to be afforded each Class.

1. Class I. Secured Claims

As of the Petition Date, Oakridge has no secured debt. Oakridge is a guarantor on one of the two secured loans taken out by Stinar from Signature Bank. The Signature Bank loan guaranteed by Oakridge had a balance of $831,715 as of the filing date. Stinar also has an additional secured loan through the Small Business Administration ("SBA") that is also guaranteed by Oakridge. At the Petition date, the separate SBA 504 Loan had a balance of $632,585. The Stinar plan calls for assumption of the two loans guaranteed by Oakridge or refinancing at a more favorable rate of payment. Under the Stinar Plan secured claimants shall retain a lien and security interest in the assets of Stinar until the principal balances and all accruing interest are paid in full.

Alternatively, Stinar may seek re-financing of the Stinar Secured debt at terms at least as favorable as the current debt structure. Oakridge would not guarantee any re-financed obligation of Stinar.

Because Stinar has a negative liquidation value, pursuant to the Bankruptcy Code, no funds would be available to pay unsecured creditors of the parent Debtor, nor would shareholders of Oakridge be entitled to any recovery.

However, Stinar has elected to pay the allowed claims of the priority unsecured creditor of Oakridge in full over time with interest and contribute $50,000 to the unsecured creditors of Oakridge.

So long as the payments by Stinar under the terms of its plan of reorganization are current, all personal guarantees signed by any guarantor on any of the Loans will also be deemed current and not in default.

Alternatively, Stinar may seek re-financing of any or all of its secured debt at terms at least as favorable as the current debt structure.

2. Class II: Unsecured Claims

Unsecured Claims

Class II A: Claim of Robert Harvey.

This class shall consist of the unsecured claims of Robert Harvey, the current President of the Debtor. The Debtor scheduled this claim at $56,361.

Treatment: The loan from Robert Harvey shall be treated as a pre-petition addition to capital of the company. Robert Harvey has agreed to this treatment.

Class II B: General Unsecured Claims.

This class shall consist of Allowed Unsecured Claims not entitled to priority and not treated in any other class in the Plan, including the unsecured portion of any secured claim. Total of all unsecured non-priority claims were scheduled at $1,939,350.81 including the unsecured guarantees of Signature Bank and the SBA which will be paid in full under Stinar's plan of reorganization. Also included in the $1,939,350.81 figure are the non-bank unsecured, non-insider unsecured claims, either scheduled or per filed proofs of claim which total $156,668.62. This figure may include claims that the Debtor tends to dispute prior to making any payment under the terms of this plan of reorganization.

Debtor will pay allowed Class IIB claimants a pro rata portion of their allowed total from a pool of $50,000 (except to the extent that allowed Class IIB claims are less than $50,000, in which case all allowed claims will be paid as scheduled or filed through a proof of claim, whichever is greater, without interest). Such payments shall be in full satisfaction of each Allowed Unsecured Claim. Stinar will fund the unsecured claims of Oakridge. Oakridge will pay $25,000 to all allowed Class IIB non-bank claims six months after the effective date. An additional $25,000 payment will be made 12 months after the effective date. The Debtor estimates that it will take 12 months to pay all non-bank creditors in Class IIB their Pro-Rata portion of the $50,000 available to those creditors.

If Debtor cannot complete payment to all Class IIB non-bank creditors in 12 months, semi-annual payments will continue until all allowed claims are paid their Pro Rata proportion of the total payment of $50,000 for this class (or less if the Allowed Class IIB claims are less than $50,000.00). If in the sole opinion of Management, it is possible to accelerate payments to the unsecured creditors in advance of this schedule, it shall do so. In no event shall non-bank Class IIB

Creditors receive any amount greater than 100% of their total allowed claims. Such payments shall be in full satisfaction of each Allowed Class IIB Claim.

Class III: Equity Interests.

Kruckeberg Industires, LLC.

Stinar owes a secured claim to Kruckeberg Industries LLC ("Kruckeberg"). Kruckeberg provided a secured loan in the approximate amount of $72,000 to Stinar for the purchase of parts pre-petition. Secondly, Stinar owes Kruckeberg a secured debt for $71,820 for pre-petition management fees under the now-terminated management contract between the two companies. Finally, Kruckeberg also has a Debtor in Possession loan with Stinar that was approved under a stipulation entered between Stinar and Kruckeberg on May 26, 2017 [Docket 23]. The order approving the stipulation is Docket 26. The terms of the DIP loan were extended via a Stipulation approved by the Court on October 25, 2017 [Docket 63]. Total owing to Kruckeberg by the Debtor for the DIP loan is currently $364,000.00. Total secured debt owing to Kruckeberg including the pre-petition secured debt is $507,820.

Stinar has made no payments to Kruckeberg during the course of the Chapter 11. Kruckeberg has a superpriority lien on all of the assets of Stinar over all other creditors except Signature Bank and the Small Business

Administration. The current DIP Financing Agreement expired on December 31, 2017. If Stinar cannot obtain an agreement to extend the DIP Financing Agreement, Kruckeberg has the ability to immediately foreclose on all of the assets of Stinar, subject to the rights of Signature Bank and the Small Business Administration.

Treatment:

Under the terms of the Stinar plan of reorganization, contingent upon the approval of Oakridge's liquidating plan (which contingency can be waived at any time) Kruckeberg shall convert all of its rights to payment of any amounts owed prior to the petition date or under the DIP loan into a 100 % ownership interest in Stinar. The current shares or other indications of ownership in Stinar, which consist of Oakridge's current 100% ownership of Stinar, as further described below, will be cancelled. Further, after the Effective Date, as soon as legally allowed, Oakridge will file documents with the Minnesota Secretary of State voluntarily dissolving Oakridge.

Current Holders of Equity Interests

All current holders of Oakridge Common Stock and Any Other Ownership Interest will have their interests terminated and the company will be dissolved. Specifically:

On the Effective Date, all common stock and any other certificate of capital stock, notes, options, option plans, bonds, indentures, pass through trust agreement, pass through trust certificate, equipment trust certificate guarantee, or other instruments or documents directly or indirectly evidencing or creating any indebtedness or obligation of or ownership interest in Oakridge, (except such certificates, notes, other instruments or documents evidencing indebtedness or obligations of Oakridge that are reinstated pursuant to the Plan), shall be cancelled solely as to Oakridge, and neither Oakridge not Stinar, as applicable, shall have any continuing obligations thereunder, and (ii) the obligations of, Claims against, and/or Interests in Oakridge pursuant, relating, or pertaining to any agreements, indentures, certificates of designation, bylaws, or certificate or articles of incorporation or similar documents governing the common stock and any other certificates, notes, options, option plans, bonds, indentures, or other instruments or documents evidencing or creating any indebtedness or obligation of Oakridge, except such agreements or certificates, notes or other instruments evidencing indebtedness or obligations of the Debtor that are specifically reinstated pursuant to Stinar's plan of reorganization, as the case may be, shall be released and discharged; Stinar, as the remaining corporation shall not have any obligations to any servicer for holders of common stock or other instruments evidencing ownership in Oakridge for any fees, costs, or expenses except as expressly provided in Stinar's plan of reorganization.

D. Executory Contracts and Unexpired Leases.

Oakridge has no Executory Contracts. To the extent that any such contracts exist, they are deemed rejected through the confirmation of the Plan.

E. Summary of Treatment Under the Plan.

The following chart shows all of the classes of classified Claimants and their treatment under the Plan.

Class	Impairment Status	Solicitation Status	Anticipated Recovery
Class I – Secured Debt of Stinar Corporation Guaranteed by Oakridge	Impaired	Will be Solicited for Approval in connection with the Stinar Plan	Full Recovery, delayed by the time spent by Stinar in the Chapter 11 Process.
Class II A – Unsecured Claim of Robert Harvey	Impaired	Will be Solicited for approval of the Plan	Reduction of pre-petition debt and conversion of remaining debt to equity, which will be treated the same as all other equity security holders
Class IIB – Unsecured Creditors	Impaired	Will be Solicited for approval of the Plan	Pro-rata share of $50,000.00 payable in two payments over the next 12 months.
Class III -Equity Interest	Impaired	Will not be Solicited for approval of the plan	All interests will be terminated. Company will administratively dissolved under Minnesota law.

VII.

MEANS OF EXECUTION OF THE PLAN

Plan Implementation.

The implementation of the Plan is dependent upon the confirmation of the plan of reorganization for Stinar and its continued operation. Stinar, after confirmation, will manage its affairs and all of its assets, and will disburse funds, serving as required as disbursing agent. Stinar will be responsible for operating its business, paying expenses and making distributions to creditors as set forth in both Stinar's plan of reorganization and Oakridge's Plan. Stinar will provide or pay out of operating funds for all of its administrative expenses and business debts in the ordinary course of business, according to the Plan.

Attached to Oakridge's Plan and marked as Exhibit B to that document are projections prepared by Stinar's management. If Stinar's plan is confirmed, the Debtor is confident of Stinar's ability to meet or exceed these projections and perform as set forth under the Stinar plan of reorganization and the Plan.

The infusion of the additional capital in Stinar from Kruckeberg, the increase in Stinar's sales force, the ultimate re-financing of the secured debt and the continued improvement of the operations of Stinar, the cost-savings achieved to date and an increasing presence in the marketplace all enhance the feasibility of Stinar's plan of reorganization and Oakridge's Plan and its likelihood of success.

VIII.

ALTERNATIVES TO THE PLAN OF REORGANIZATION

Oakridge believes strongly that acceptance of the Plan is in the best interest of its creditors. Based upon the financial projections discussed above, Oakridge believes it can offer more to unsecured claimants and quicker payments than under a liquidation scenario in which the Debtor's assets will be first turned over to the secured creditors, and other priority claimants and then paid out to the unsecured creditors. If liquidation were to occur, unsecured creditors would receive approximately $0.00 on their claims. Liquidation of the Debtor is evaluated on Exhibit 2.

VIII.

OWNERSHIP INTERESTS AND MANAGEMENT FOLLOWING CONFIRMATION

Kruckeberg Industries, LLC will be the 100% owner of Stinar post-confirmation. Oakridge will be dissolved and will have no officers or directors post-confirmation except to the extent necessary for the dissolution, in which case, Robert Harvey shall maintain his position as the President of Oakridge as well as the sole member of Oakridge's Board of Directors. Harvey shall serve without salary for these positions.

IX.

AUTOMATIC STAY AND DISCHARGE

The confirmation of the plan shall vest all property of the Debtor in the reorganized Debtor per 11 U.S.C. § 114l(b). Further, all rights and interests of equity security holders of Oakridge will be terminated under 11 USC § 1141(d)(1)(B). Finally, because all of the assets of the Debtor will be liquidated pursuant to the terms of the Plan, the Debtor will not receive a discharge of its debts pursuant to 11 USC § 1141(d)(3).

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X.

CONCLUSION

As noted above, Debtor believes that acceptance of the plan is in the best interest of all parties. Debtor requests that each holder of a claim or interest complete the ballot and accept the proposed plan.

Respectfully submitted,

Dated: April 16, 2018

By: Robert Gregor

Robert Gregor,
its Vice-President

Approved as to form:

Dated: April 16, 2018

/e/ Kenneth Corey Edstrom

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EXHIBIT 1

OPERATIONS IN CHAPTER 11
(showing operations of subsidiary, Stinar HG, Inc.)

See Attached.

	P12 - Jun		P1 - Jul		P2 - Aug		P3 - Sep		P4 - Oct		P5 - Nov	
Description	Month to Date	% Sales	Month to Date	% Sales	Month to Date	% Sales	Month to Date	% Sales	Month to Date	% Sales	Month to Date	% Sales
REVENUES												
Sales -- Equipment-ST-100	143,761.00	76.52%	273,205.00	87.11%	182,950.00	77.21%	222,842.54	89.25%	440,385.57	92.07%	7,902.00	6.43%
Other Revenue-ST-100	1,254.87	0.67%	(1,403.16)	-0.45%	(4,618.11)	-1.95%	226.94	0.09%	964.21	0.20%	756.40	0.62%
Sales - Parts-ST-100	43,381.06	23.09%	42,095.48	13.42%	58,651.53	24.75%	31,100.34	12.46%	42,366.76	8.86%	114,822.38	93.45%
Returns-ST-100	(350.07)	-0.19%	(222.73)	-0.07%	0.00	0.00%	(4,447.80)	-1.78%	(747.35)	-0.16%	(35.02)	-0.03%
Discounts-ST-100	(135.48)	-0.07%	0.00	0.00%	0.00	0.00%	0.00	0.00%	(4,569.96)	-0.96%	(556.55)	-0.45%
Sales Tax-ST-100	(40.35)	-0.02%	(37.91)	-0.01%	(19.00)	-0.01%	(25.64)	-0.01%	(57.44)	-0.01%	(25.38)	-0.02%
Total Sales/Revenue	**187,871.03**	**100.00%**	**313,636.68**	**100.00%**	**236,964.42**	**100.00%**	**249,696.38**	**100.00%**	**478,341.79**	**100.00%**	**122,863.83**	**100.00%**
COST OF SALES												
Total Cost of Sales	**189,543.27**	**100.89%**	**301,020.75**	**95.98%**	**187,134.88**	**78.97%**	**236,111.64**	**94.56%**	**384,405.53**	**80.36%**	**132,031.31**	**107.46%**
Gross Profit	**(1,672.24)**	**-0.89%**	**12,615.93**	**4.02%**	**49,829.54**	**21.03%**	**13,584.74**	**5.44%**	**93,936.26**	**19.64%**	**(9,167.48)**	**-7.46%**
OPERATING EXPENSES												
Total Operating Expenses	**34,887.38**	**18.57%**	**35,471.28**	**11.31%**	**57,072.69**	**24.08%**	**37,634.58**	**15.07%**	**45,946.11**	**9.61%**	**16,688.23**	**13.58%**
Total Operating Income (Loss)	**(36,559.62)**	-19.46%	**(22,855.35)**	-7.29%	**(7,243.15)**	-3.06%	**(24,049.84)**	-9.63%	**47,990.15**	10.03%	**(25,855.71)**	-21.04%
OTHER INCOME (EXPENSE)												
Interest Expense-ST-100	(2,726.07)	-1.45%	(8,633.95)	-2.75%	(10,666.84)	-4.50%	(9,264.37)	-3.71%	(9,329.06)	-1.95%	(9,289.65)	-7.56%
Total Other Income (Expense)	**(2,726.07)**	-1.45%	**(8,633.95)**	-2.75%	**(10,666.84)**	-4.50%	**(9,264.37)**	-3.71%	**(9,329.06)**	-1.95%	**(9,289.65)**	-7.56%
Net Income (Loss) Before Taxes	**(39,285.69)**	-20.91%	**(31,489.30)**	-10.04%	**(17,909.99)**	-7.56%	**(33,314.21)**	-13.34%	**38,661.09**	8.08%	**(35,145.36)**	-28.61%
PROVISION FOR INC. TAXES												
Net Income (Loss)	**(39,285.69)**	-20.91%	**(31,489.30)**	-10.04%	**(17,909.99)**	-7.56%	**(33,314.21)**	-13.34%	**38,661.09**	8.08%	**(35,145.36)**	-28.61%
EBITDA	(27,559.14)		(14,532.61)		(920.41)		(17,727.10)		56,312.89		(17,532.97)	
EBITDA + Legal	(26,551.14)		(9,657.61)		20,401.73		(19,792.48)		68,527.89		(17,532.97)	

	P6 - Dec			P7 - Jan			P9 - Feb			YTD Avg			YTD Total	
Description	Month to Date	% Sales		Month to Date	% Sales		Month to Date	% Sales		Sales	% Sales		Sales	% Sales
REVENUES														
Sales -- Equipment-ST-100	369,320.00	92.51%		332,012.00	86.15%		451,785.00	91.82%		269,351.46	84.58%		2,424,163.11	84.58%
Other Revenue-ST-100	1,217.59	0.30%		1,057.13	0.27%		1,169.45	0.24%		69.48	0.02%		625.32	0.02%
Sales - Parts-ST-100	31,532.38	7.90%		52,604.07	13.65%		39,102.39	7.95%		50,628.49	15.90%		455,656.39	15.90%
Returns-ST-100	(3,168.72)	-0.79%		-	0.00%		-	0.00%		(996.85)	-0.31%		(8,971.69)	-0.31%
Discounts-ST-100	356.62	0.09%		0.01	0.00%		0.01	0.00%		(545.04)	-0.17%		(4,905.35)	-0.17%
Sales Tax-ST-100	(23.73)	-0.01%		(265.42)	-0.07%		(24.88)	-0.01%		(57.75)	-0.02%		(519.75)	-0.02%
Total Sales/Revenue	**399,234.14**	**100.00%**		**385,407.79**	**100.00%**		**492,031.97**	**100.00%**		**318,449.78**	**100.00%**		**2,866,048.03**	**100.00%**
COST OF SALES														
Total Cost of Sales	**327,635.42**	**82.07%**		**337,497.92**	**87.57%**		**399,179.29**	**81.13%**		**277,343.77**	**87.09%**		**2,494,525.01**	**87.04%**
Gross Profit	**71,598.72**	**17.93%**		**47,909.87**	**12.43%**		**92,852.68**	**18.87%**		**41,106.01**	**12.91%**		**371,523.02**	**12.96%**
OPERATING EXPENSES														
Total Operating Expenses	**23,622.21**	**5.92%**		**27,116.62**	**7.04%**		**42,430.49**	**8.62%**		**38,381.89**	**11.13%**		**320,869.59**	**10.89%**
Total Operating Income (Loss)	**47,976.51**	12.02%		**20,793.25**	5.40%		**50,422.19**	10.25%		**2,724.12**	0.86%		**50,653.43**	1.77%
OTHER INCOME (EXPENSE)														
Interest Expense-ST-100	(10,849.02)	-2.72%		(10,690.58)	-2.77%		(9,985.55)	-2.03%		(9,048.34)	-2.84%		(81,435.09)	-2.84%
Total Other Income (Expense)	**(10,849.02)**	-2.72%		**(10,690.58)**	-2.77%		**(9,985.55)**	-2.03%		**(9,048.34)**	-2.84%		**(81,435.09)**	-2.84%
Net Income (Loss) Before Taxes	**37,127.49**	9.30%		**10,102.67**	2.62%		**40,436.64**	8.22%		**(6,324.22)**	-1.99%		**(30,781.66)**	-1.07%
PROVISION FOR INC. TAXES														
Net Income (Loss)	**37,127.49**	9.30%		**10,102.67**	2.62%		**40,436.64**	8.22%		**(6,324.22)**	-1.99%		**(30,781.66)**	-1.07%
EBITDA	56,299.25			29,115.99			58,744.93			10,677.72			122,235.83	
EBITDA + Legal	56,299.25			30,740.99			72,369.93			17,253.31			174,840.59	

EXHIBIT 2

LIQUIDATION ANALYSIS

See attached.

Stinar Inc.
Asset Liquidation

Stinar		At Filing	Fees	Liquidation	
Cash		30,890.31		30,890	
Accounts Receivable		302,920.95		302,921	
Inventory	Raw - less allowance	372,977.28		45,000	RM worth is only the steel
	Work In Progress	464,221.39		-	WIP is worthless if you don't complete
Investments		11,230.13		11,230	
prepaid expenses		5,926.13		-	
Current Assets filed with Court		1,188,166.19		390,041	
Land and Building		911,863.80		1,836,750	
Computer equipment and software		-		-	
Autos and Trucks		-		-	
Office machinery & Equip		91,321.31		-	
Land and Building		1,003,185.11		1,836,750	
Total Liquidation				**2,226,791**	

Gross Value		2,200,000.00
	Roof repair	100,000.00
	Remediation	125,000.00 EPA Land fill and EPA Freon
	Commission	138,250.00
	Net	1,836,750.00

Secured		
	Ford Motor	24,704
	Real Esate Tax	36,000
	Loans bank	1,765,067
	Kruckeberg Industries	436,000
	Total Priority	**2,261,771**
	Net Cash for Creditors	(34,980)
	Unsecured Creditors	
	Bob Harvey	(59,000)
	KI	(71,820)
	Vendors	(365,000)
	Customer Deposits	(364,526)
	Total	(860,346)