

Clerk's Stamp:

COURT FILE NUMBER 2101-05019

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C, 1985, c. C-36, as amended

IN THE MATTER OF THE COMPROMISE OR ARRANGEMENT OF COALSPUR MINES (OPERATIONS) LTD.

DOCUMENT **AFFIDAVIT OF ANDREW LAROCQUE (SWORN OCTOBER 22, 2021)**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

DLA Piper (Canada) LLP  
1000, 250 2 Street SW  
Calgary, Alberta T2P 0C1

Lawyer: Carole J. Hunter  
Phone Number: 403 698 8782  
Fax Number: 403 697 6600  
Email Address: carole.hunter@dlapiper.com  
File No. 104233-00001

I, Andrew Larocque, of the City of Calgary, in the Province of Alberta, SWEAR AND SAY THAT:

1. I am the President of Stillwater Supply Corp. ("**Stillwater**") and as such, have personal knowledge of the matters hereinafter deposed to, except where otherwise stated to be based upon information and belief, in which case I do believe them to be true.
2. Stillwater is a company specializing in dewatering, water treatment, chemical and supplies for mining operations.

**Proof of Claim and Notice of Disallowance**

3. Stillwater submitted its Proof of Claim to Coalspur Mines (Operations) Ltd. ("**Coalspur**") and FTI Consulting Inc., in its capacity as court-appointed monitor of Coalspur (the "**Monitor**") on

September 12, 2021 (the “**Proof of Claim**”). The Proof of Claim included a secured claim in the amount of \$1,067,948.44 (the “**Secured Claim**”) and an unsecured claim in the amount of \$986,000 (the “**Unsecured Claim**”). A copy of the Proof of Claim is attached hereto as **Exhibit “A”**.

4. On October 8, 2021, the Monitor served Stillwater with a Notice of Disallowance wherein the Monitor disallowed the Unsecured Claim and the Secured Claim in their entirety. The reasons for the disallowance are stated as follows:

“The Monitor, in consultation with Coalspur, has reviewed your Proof of Claim, and based on the material filed, and the books and records of Coalspur, the Monitor has determined that both your secured and unsecured Claims are disallowed in their entirety.

The Monitor understands that the Claims are disputed by Coalspur and are the subject to ongoing litigation, including a substantial counterclaim by Coalspur against you in Court File No. 2001-05044. Given the uncertainty of the resolution of the issues in that action, the Monitor has disallowed the Claims.”

A copy of the Notice of Disallowance dated October 8, 2021 is attached hereto as **Exhibit “B”**.

5. In accordance with the terms of the Claims Process Order, Stillwater was required to file a Notice of Dispute and serve and file an application, together with supporting affidavit setting out the basis for its dispute of the Notice of Disallowance.

#### **Background Relating to Agreement between Stillwater and Coalspur**

6. In September of 2019, Brian Shirzad of Coalspur and I starting discussing the potential of Stillwater providing dewatering services to Coalspur at its coal mining operation located in Hinton, Alberta (the “**Vista Mine**”). On September 23, 2019, Stillwater provided Coalspur with a proposal for a pilot project that would demonstrate the issues that could be addressed through a different process for dewatering the underflow from Coalspur’s mining operations (the “**Pilot Project Proposal**”). A copy of the email from me to Mr. Shirzad dated September 23, 2019, attaching the Pilot Project Proposal is attached hereto as **Exhibit “C”**.
7. As a result of our discussions and Coalspur’s review of our Pilot Project Proposal, Stillwater ran a pilot project at the Vista Mine to demonstrate its dewatering services on October 3, 2019. The pilot project was completed at no cost to Coalspur. On October 15, 2019, I provided Mr. Shirzad with a summary of the results from the pilot project. A copy of the email from me to Mr. Shirzad dated

October 15, 2019, attaching the summary of the pilot project results is attached hereto as **Exhibit “D”**.

8. Following the completion of the pilot project, Stillwater and Coalspur began discussing the terms of a proposal for Stillwater to provide dewatering services at the Vista Mine. Those discussions mainly took place between me and Mr. Shirzad though Bard Wells and Myron Jones of Coalspur were also involved from time to time. Our discussions were focussed on the timeline for the project, the payment structure and the performance criteria. Copies of the email correspondence dated October 19 to October 24, 2019 is attached hereto as **Exhibit “E”**.
9. As a result of those discussions, Stillwater presented its initial proposal to Coalspur on November 2, 2019 (the **“Initial Proposal”**). The Initial Proposal contemplated a 15 day mobilization period, followed by six days of commissioning before Stillwater would commence the operational period by beginning to take underflow into the dewatering system. The Initial Proposal also contemplated a \$24,000 flat rate per day for the production period resulting in a total contract price of \$2,160,000. A copy of the email from me to Mr. Shirzad attaching the Initial Proposal is attached hereto as **Exhibit “F”**.
10. The delivery of the Initial Proposal was followed by further discussions between me and Mr. Shirzard and Mr. Jones on the terms and conditions for an eventual agreement. Copies of the email correspondence dated November 2 to 12, 2019 is attached hereto as **Exhibit “G”**.
11. On November 14, 2019, Stillwater entered into an agreement with Coalspur to provide services and equipment to assist with the dewatering of underflow at the Vista Mine (the **“Services Agreement”**). A copy of the Services Agreement is attached to the Proof of Claim in Exhibit “A”. Some of the key provisions of the Services Agreement include:

(a) Timeline:

The Start-Up Date under the Services Agreement was November 19, 2019.

Mobilization and Commissioning to be completed 21 calendar days after the Start-Up Date.

The Operational Period was to commence on the first calendar day the after completion of the mobilization and commissioning and continue for a period of ninety consecutive calendar days.

Demobilization was to commence one calendar day after the completion of the operational period and continue to two calendar days, if necessary.

There is no definition of “Mobilization”, “Commissioning”, “Operational Period” or “Demobilization” in the Services Agreement.

(b) Performance Criteria:

The Services Agreement includes a number of performance criteria in respect of the operational period, namely:

- i. The centrifuge centrante levels would be 1.050SG or lower;
- ii. 1,650 gallons of underflow would be processed per minute;
- iii. The centrifuge moisture levels would not exceed 32%;
- iv. The refuse pile would be maintained at normal stability standards and would be workable by a Cat D8 LGP dozer; and
- v. The equipment would be in sufficient working order and there would be sufficient manpower to work at 97% availability and non-productive time would be under 3%, excluding planned maintenance.

Coalspur could provide a deficiency notice to Stillwater if the performance criteria were not being met and Stillwater would have 48 hours to furnish, at its sole cost, the additional equipment, manpower and supplies necessary to met the performance criteria.

(c) Payment Terms:

The Services Agreement contemplated a flat rate of \$24,000/day for operational days and \$19,000/day for standby/maintenance days. The aggregate contract price was not to exceed \$2,160,000 plus applicable GST.

The costs of mobilization and demobilization of equipment was set at \$18,060.

(d) Default and Termination:

The Services Agreement provided that if Coalspur shall become dissatisfied with the performance of Stillwater, Coalspur could terminate the agreement on written notice. Upon termination, Coalspur would have no further obligations under the agreement other than to pay for any work actually performed prior to termination.

(e) Termination:

The Services Agreement provided that it could be terminated by either party without cause upon 30 days written notice. All project work in progress at the time of termination shall, at the option of Coalspur, be completed by Stillwater and the termination shall have no effect upon the rights of the parties as they pertain to prior or existing project works and any liabilities or injuries arising thereunder.

### **Dewatering Services provided under the Services Agreement**

12. Stillwater began the mobilization and commissioning process on November 26, 2019 which included bringing six centrifuges, three flocc tanks, one shale bin, one office shack, three trash pumps, hoses, manifolds, poly injection tanks and pumps, a fuel tank, a loader, heaters, two large conveyers, a mixer, a boiler, electrical panels, a diesel discharge pump, a surge tank, two poly tanks and truck loads of sawdust onto the Vista Mine site between November 26 and December 3, 2019.
13. Despite having the equipment necessary to commence its dewatering services at the Vista Mine by December 3, 2019, Stillwater was unable to commence the 90 day operational period because Coalspur had not provided the necessary power source and working pump connection to run the dewatering system. Coalspur provided the power line and working pump connection on December 16, 2019 and on the same day, Stillwater connected and tested the power, water and slurry lines. On December 17, 2019, Stillwater commenced taking underflow into its dewatering system and the operational period under the Services Agreement commenced.
14. Between December 17, 2019 and January 10, 2020, I was present at the Vista Mine to oversee the dewatering operations. The dewatering operations were located approximately 500 meters from Coalspur's office building at the Vista Mine and I spoke with Mr. Shirzad of Coalspur several times a day regarding the dewatering system. I also spoke with Mr. Wells and Simon Stepp of Coalspur when they were at that Vista Mine site. At no point during these discussions did Coalspur express any dissatisfaction with Stillwater's performance or provide any deficiency notices to Stillwater as contemplated under the Services Agreement.
15. From December 17, 2019 to January 10, 2020, Stillwater had to continually adjust its dewatering operations because the output of underflow from the Vista Mine was not consistent. Although this lack of consistency impacted the performance of the dewatering system, Stillwater worked diligently to address the variable underflow and ensure that its system was producing the results required by Coalspur. At its own expense, Stillwater brought in additional equipment which was not contemplated by the Services Agreement to improve the operating results.
16. On January 9, 2020, I requested a meeting with Mr. Wells of Coalspur to discuss the status and progress of Stillwater's dewatering services. At that meeting, Coalspur acknowledged that it would be liable for payment of non-operational days between December 3 and 16, 2019, as a result of its delay in providing the line power and working pump connection. Coalspur did, however, advise

me that since the performance criteria in the Services Agreement were not being met, Coalspur would be meeting to determine how to proceed going forward.

17. On January 10, 2020, Coalspur provided notice to Stillwater that it was dissatisfied with Stillwater's performance and that Coalspur was electing to terminate the Services Agreement (the "**Termination Letter**"). A copy of the Termination Letter is attached hereto as **Exhibit "H"**.
18. Following receipt of the Termination Letter, Stillwater ceased work on January 10, 2020 and completed the demobilization process on January 15, 2020.

**The Secured Claim against Coalspur**

19. Stillwater invoiced Coalspur a total of \$829,686.80 inclusive of GST for the mobilization and demobilization charges, daily operational and standby fees and electrical equipment charges. The breakdown of the invoices issued by Stillwater to Coalspur is as follows:

<b>Invoice</b>	<b>Date</b>	<b>Amount</b>
BH-013	2019-12-16	\$130,200.00
BH-014	2019-12-23	\$18,963.00
BH-015	2019-12-23	\$176,400.00
BH-016	2019-12-30	\$160,650.00
BH-017	2020-01-06	\$171,150.00
BH-018	2020-01-13	\$126,000.00
BH-019	2020-01-15	\$18,963.00
BH-021	2020-01-15	\$27,360.80
<b>TOTAL</b>		<b>\$829,686.80</b>

Copies of the invoices are attached to the Proof of Claim in Exhibit "A". The invoices contemplated that interest will be charged at 24% per annum on unpaid invoices. As set out in the Proof of Claim, the Secured Claim includes interest in the amount of \$238,261.64.

20. Coalspur made no payment in respect of the invoices. As a result, on or about February 24, 2020, pursuant to the provisions of the *Builders' Lien Act* of Alberta, Stillwater caused to be registered with the Minister of Energy, builders' liens against the project leases held by Coalspur, copies of which are included in the Proof of Claim in Exhibit "A".

### **The Unsecured Claim against Coalspur**

21. On August 4, 2020, Stillwater filed an Amended Statement of Claim against Coalspur, a copy of which is attached to the Proof of Claim in Exhibit “A”, which details unsecured Stillwater’s claims against Coalspur. Stillwater filed the Amended Statement of Claim to address its claim for the 14 day period when Coalspur failed to provide the line power and working pump connection necessary to operate the dewatering system.
22. The Amended Statement of Claim included a claim for \$266,000 in respect of the standby charge owing by Coalspur to Stillwater for the 14 days period (the “**Standby Claim**”), however, it later came to my attention that a portion of the \$266,000 standby charge had already been included in the Secured Claim in Invoice BH-013. As a result, the claim in respect of the standby period in the Amended Statement Claim should only be for the period from December 3 to 9, 2020. Invoice BH-027 was issued to correct this error and now correctly includes the standby charge for seven days in the amount of \$133,000 plus interest and GST for a total of \$162,299.83. A copy of invoice BH-027 is attached hereto as **Exhibit “I”**.
23. The Services Agreement contemplated termination in two distinct circumstances. First, if Coalspur was dissatisfied with Stillwater’s performance it could terminate the agreement and pay for the services provided prior to termination. Second, either party could terminate the Services Agreement without cause upon providing 30 days written notice and Coalspur, could elect to have Stillwater complete work in progress during that period.
24. Coalspur did not, until January 9, 2020, raise any concerns about Stillwater’s performance under the Services Agreement nor provide any deficiency notice to Stillwater nor provide Stillwater with an opportunity to remedy any alleged deficiencies. It is Stillwater’s position that Coalspur terminated the Services Agreement without cause and Stillwater is entitled to payment for the 30 day notice period which it should have received at the operational rate of \$24,000 per day which totals \$720,000.
25. Due to a clerical error, Stillwater’s Proof of Claim mistakenly included the entire amount of the Standby Claim in its Unsecured Claim. The Unsecured Claim should be reduced to \$882,299.83, comprised of \$720,000 for the 30 day notice period and \$162,299.83 for the December 3 to 9, 2019 standby period.


**Ongoing Litigation**

26. As set out by the Monitor in the Notice of Disallowance, the claims by Stillwater have been the subject of ongoing litigation between the parties since April 3, 2020 in Court File No. 2001-05044 (the “**Proceedings**”). Stillwater is unable to continue the Proceedings against Coalspur as a result of the stay of proceedings under the *Companies’ Creditors Arrangement Act*.


27. I make this Affidavit in support of an Application Disputing the Notice of Disallowance.

SWORN (OR AFFIRMED) BEFORE ME at )  
Calgary, Alberta, this 22nd day of October, 2021. )

The deponent was not physically present before )  
me, but was linked with me utilizing video )  
technology. The process outlined in the Court of )  
Queen’s Bench of Alberta Notice to the Profession )  
and Public for Remote Commissioning of )  
Affidavits for use in Civil and Family Proceedings )  
During the COVID-19 Pandemic (NPP#2020-02), )  
dated March 25, 2020, was followed. )



**ANDREW LAROCQUE**

  
\_\_\_\_\_  
Commissioner for Oaths in and for the Province )  
of Alberta )  
)



This is **Exhibit "A"** referred to in the  
Affidavit of Andrew Larocque

Sworn before me this 22 day of October,  
2021



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A Commissioner for Oaths  
in and for the Province of Alberta

**PROOF OF CLAIM**

For all Pre-Filing Claims and/or Subsequent Claims relating to Coalspur Mines (Operations) Ltd. and/or its current or former Directors or Officers

(See Reverse for Instructions)

Regarding the claim of Stillwater Supply Corp. (referred to in this form as "**the creditor**"). (name of creditor)

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

G. Brian Davison, Q.C., DLA Piper (Canada) LLP  
1000, 250 - 2nd Street SW, Calgary, AB, T2P 0C1

Telephone: 403-294-3590 Fax: 403-296-4474

Email: brian.davison@dlapiper.com

***Have you acquired this Claim by assignment? If yes, if not already provided, attach documents evidencing assignment.***

Yes:  No:  (if yes, attach documents evidencing assignment)

***If Yes, Full Legal Name of Original Creditor(s):*** \_\_\_\_\_

I, Andrew Larocque residing in the City  
(name of person signing claim) (city, town, etc.)

of Calgary in the province of Alberta  
(name of city, town, etc.)

Do hereby certify that:

1. ~~I am the creditor~~

or

I am President of the creditor.  
(if an officer or employee of the company, state position or title)

2. I have knowledge of all the circumstances connected with the Claim referred to in this form.

- 3.  I have a Pre-Filing Claim  
or  
 I have a Subsequent Claim

*(Claims in a foreign currency are to be converted to Canadian Dollars at the Bank of Canada noon spot exchange rate as at April 26, 2021. The Canadian Dollar/US Dollar rate of exchange on that date was C\$1.2412/US\$1.00.)*

- 4. Coalspur Mines (Operations) Ltd. [specify Applicant or name of applicable Director and/or Officer] was, (as at April 26, 2021 in respect of a Pre-Filing Claim **OR** after April 26, 2021 in respect of a Subsequent Claim), and still is indebted to the creditor in the sum of \$ 2,053,948.44 CAD as shown by the statement of account attached hereto and marked **Schedule "A"**. Pre-Filing Claims should not include the value of goods and/or services supplied after April 26, 2021. If a creditor's claim is to be reduced by deducting any counter claims and/or claims to set-off to which the Applicant is entitled and/or amounts associated with the return of equipment and/or assets by the Applicant, please specify.
- 5. The statement of account must specify the vouchers or other evidence in support of the claim including the date and location of the delivery of all services and materials. Any claim for interest must be supported by contractual documentation evidencing the entitlement to interest.

- 6.  A. **Unsecured claim.** \$ 986,000.00. In respect to the said debt, the creditor does not and has not held any assets as security.
- B. **Secured claim.** \$ 238,261.64 = 1,067,948.44 <sup>829,686.80 plus interest of</sup> In respect of the said debt, the creditor holds assets valued at \$ unknown as security:

*Provide full particulars of the Claim, including amount, description of transaction(s) or agreement(s) giving rise to the Claim, name of any guarantor(s) which have guaranteed the Claim, particulars and copies of any security and amount of Claim allocated thereto, date and number of invoices, particulars of all credits, discounts, etc, claimed. If a claim is made against any Directors and/or Officers, specify the applicable Director(s) and/or Officer(s) and the legal basis for the Claim against them. Attach all supporting documents as **Schedule "B"**.*

Dated at North Palm Beach, this 12 day of September, 2021.  
*(Insert city)*

Mike Chukusky  
Witness  
Mike Chukusky

Andrew Larocque  
(signature of individual completing the form)  
Andrew Larocque

*Must be signed and witnessed*

**SCHEDULE "A"**

**Affidavit Proving Lien filed May 19, 2020 and  
Amended Statement of Claim filed August 4, 2020  
QB Action No. 2001-05044**



Clerk's Stamp:

COURT FILE NUMBER 2001-05044

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFF **STILLWATER SUPPLY CORP.**

DEFENDANTS **COALSPUR MINES (OPERATIONS) LTD. and CONSOLIDATED Tanager LIMITED**

DOCUMENT **AFFIDAVIT PROVING LIEN**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT  
Andrew MacGregor  
DLA Piper (Canada) LLP  
Barristers and Solicitors  
1000, 250 - 2<sup>nd</sup> Street S.W.  
Calgary, AB T2P 0C1  
Phone: 403.698.8720  
Fax: 403.213.4467  
E-mail: andrew.macgregor@ca.dlapiper.com  
File No.: 104233-00001/AHM

**Affidavit of Andrew Larocque**

**SWORN at Calgary, Alberta, this 17th day of May, 2020**

I, Andrew Larocque, of the City of Calgary, in the Province of Alberta, SWEAR AND SAY THAT:

1. I am the President of the Lienholder, Stillwater Supply Corp. ("**Stillwater**") and as such, have personal knowledge of the matters hereinafter deposed to, except where otherwise stated to be based upon information and belief, in which case I do believe them to be true.
2. Stillwater is a company specializing in dewatering, water treatment, chemical and supplies for mining operations.
3. On or about November 14, 2019, Stillwater entered into an agreement (the "**Agreement**") with Coalspur Mines (Operations) Ltd. ("**Coalspur**") to provide services and equipment to Coalspur to assist with the dewatering of underflow at Coalspur's coal mining operation (the "**Project**") located in Hinton, Alberta (the "**Work**"). Attached to my Affidavit as **Exhibit "A"** is a copy of the Agreement.
4. I verily believe that the Project spans the lands throughout Township 51, Range 23, West of the 5<sup>th</sup> Meridian as well as lands in several surrounding townships (the "**Lands**").
5. I am advised and do verily believe that the Lands are encumbered by coal leases as particularized in the Builders' Liens further described herein at paragraphs 14 and 15 (the "**Project Leases**"). The particular descriptions of the Project Leases and the Lands are included in the schedule attached as **Exhibit "B"** to my Affidavit.

6. I am advised and do verily believe that the Project Leases are held by the Defendants and are registered in the names of Xenolith Coal Canada Ltd. and Consolidated Tanager Limited (“**Consolidated**”).
7. I am advised and do verily believe that Coalspur previously carried on business as Xenolith Coal Canada Ltd.
8. The Agreement provided a set rate for mobilization and for demobilization up to a maximum of \$18,060.00.
9. The Agreement set separate rates to be charged for operational days and for non-operational days. Stillwater was entitled under the Agreement to charge a daily rate not exceeding \$24,000.00 plus GST for operational days and a daily rate not exceeding \$19,000.00 plus GST for non-operational days.
10. The Work was completed by Stillwater in a good and workmanlike manner. Demobilization was completed by Stillwater on January 15<sup>th</sup>, 2020 which was the last day that the Work was performed.
11. Stillwater invoiced Coalspur a total of \$829,686.80 inclusive of GST for the Work (the “**Invoiced Amount**”). The breakdown of the invoices issued by Stillwater to Coalspur is as follows:


<b>Invoice</b>	<b>Date</b>	<b>Amount</b>
BH-013	2019-12-16	\$130,200.00
BH-014	2019-12-23	\$18,963.00
BH-015	2019-12-23	\$176,400.00
BH-016	2019-12-30	\$160,650.00
BH-017	2020-01-06	\$171,150.00
BH-018	2020-01-13	\$126,000.00
BH-019	2020-01-15	\$18,963.00
BH-021	2020-01-15	\$27,360.80
	<b>TOTAL</b>	<b>829,686.80</b>

Copies of the invoices are attached to my Affidavit as **Exhibit “C”**.


12. Coalspur has made no payment of any kind towards the Invoiced Amount.
13. I am advised and do verily believe that by doing the Work and otherwise providing services and equipment to the Project, Stillwater became entitled to, and is entitled to, a valid Builders’ Lien against the Project Leases for the sum of \$829,686.80 plus interest at 24% per annum net thirty (30) days after the invoice dates, and collection costs, including legal fees and disbursements.
14. On or about February 24, 2020, pursuant to the provisions of the *Builders’ Lien Act* of Alberta, Stillwater caused to be registered with the Minister of Energy, Builders’ Liens against the Project Leases held by Coalspur, a copy of which is attached hereto and marked as **Exhibit “D”** to this my Affidavit.
15. Also on or about February 24, 2020, pursuant to the provisions of the *Builders’ Lien Act* of Alberta, Stillwater caused to be registered with the Ministry of Energy, a Builders’ Lien against the Project Lease held by Consolidated, a copy of which is attached hereto and marked as **Exhibit “E”**.

16. Additionally, Stillwater has filed a Statement of Claim to enforce its Builders' Liens and has filed a Certificate of Lis Pendens against the Project Leases.
17. I make this Affidavit in reply to a Notice to Prove Lien.

SWORN BEFORE ME at Calgary, Alberta this )  
17 day of May, 2020. )

  
\_\_\_\_\_)  
A Commissioner for Oaths in and for the Province )  
of Alberta )

**Andrew MacGregor**  
Barrister & Solicitor

  
\_\_\_\_\_)  
**ANDREW LAROCQUE,**  
President, Stillwater Supply Corp.

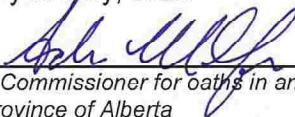
THIS IS EXHIBIT " A "

referred to in the Affidavit of

Andrew Larocque

Sworn before me this 17

day of May, 2020

  
\_\_\_\_\_  
*A Commissioner for oaths in and for the  
Province of Alberta*

**Andrew MacGregor**  
Barrister & Solicitor



**SERVICES AGREEMENT BETWEEN  
COALSPUR MINES (OPERATIONS) LTD. AND STILLWATER SUPPLY  
CORP.**

This Services Agreement (the "Agreement") is made and entered into on the 14th day of November, 2019 ("Effective Date") by and between Coalspur Mines (Operations) Ltd., (hereinafter referred to as the "Company"), and Stillwater Supply Corp. (hereinafter referred to as the "Contractor").

WHEREAS, Company requires an independent contractor having the expertise necessary for the dewatering of the underflow of the thickener tanks at Company's Vista Mine operations in Hinton, Alberta, Canada, as described more particularly herein (the "Refuse Centrifuge Project"), and

WHEREAS, Contractor has the necessary expertise to provide the services to Company that are required for the Refuse Centrifuge Project, and desires to provide such services to Company; and

WHEREAS, Company and Contractor desire to enter into this Agreement to govern the terms pursuant to which Contractor will provide services as required for the Refuse Centrifuge Project.

NOW, THEREFORE, for and in consideration of the premises and the mutual promises, covenants and agreements hereinafter set forth Company and Contractor agree as follows:

1. Services, Materials and Supplies: Contractor shall provide the Labor and Equipment, as defined below, necessary to achieve the Performance Criteria, as defined below, for the Refuse Centrifuge Project, for a period of ninety (90) consecutive calendar days (including all weekends and any holidays). The term "Labor and Equipment" shall mean all of the following items:

- A minimum of four (4) centrifuges
- A minimum of 1.5 loads of sawdust
- Living allowance
- Maintenance
- Skid steer
- Tanks
- Hoses
- Shipping container with parts
- Polymer we will consume
- Sawdust conveyor system
- Snow removal
- Minimum 4-man crew
  - -2 man/12 hr. shift x 2 shifts
  - All holidays will be scheduled
- Daily detailed report
- Crew truck
- Pumps

- Manifolds
- Tools
- Conveyor system
- Lighting
- First aid stations/safety equipment

In addition to the Labor and Equipment listed above, all of which shall be included in the Contract Price, Contractor shall provide the following items for the charges specified beside each such item below, all of which shall be referred to collectively herein as the "Additional Labor and Equipment":

- Mobilization and demobilization of equipment at our cost (\$215/hr. x 6 hr) = \$1290 x ~14 loads = ~\$18060 (Anything over this we will cover)
- Applicable taxes
- Power distribution panels and wiring at pass-through pricing(cost) for 28 day periods

Where no charges are designated for any item of Additional Labor and Equipment set forth above, Contractor shall provide such item(s) for its actual cost, which actual cost shall be documented by receipts and/or invoices. All "Labor and Equipment" provided by Contractor for the Refuse Centrifuge Project shall be referred to herein as the "Services".

2. Time and Performance Criteria: Contractor shall commence the Services on a date after the Effective Date of this Agreement that is mutually agreed upon by Company and Contractor (the "Start-Up Date"), and shall complete the Services pursuant to the following time frame:

- Mobilization and Commissioning: to be completed 21 calendar days after the Start-Up Date;
- Operational Period: to commence the first calendar day after completion of Mobilization and Commissioning and continue for a period of ninety (90) consecutive calendar days thereafter;
- Demobilization: to commence the first calendar day after the completion of the Operational Period and to continue for a period of two calendar days thereafter, if necessary;
- Cleanup: to commence the first calendar day after the completion of Demobilization and to continue for a period of one (1) calendar day.

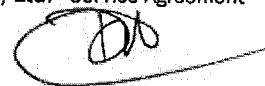
Contractor shall provide all Services necessary to achieve the following performance criteria (collectively referred to herein as the "Performance Criteria") with respect to the

Refuse Centrifuge Project for a period of ninety (90) consecutive days (including all weekend days and any holidays) (the "Performance Period"):

- Contractor guarantees centrifuge centrare will be 1.050 SG or lower at all times during the Performance Period, and will work diligently during the Performance Period to achieve a centrifuge centrare below 1.020 SG, including bringing in supplemental equipment at Contractor's sole cost and expense
- Contractor guarantees adequate equipment, manpower and supplies to process 1,650 gallons/min during the Performance Period
- Contractor guarantees centrifuge moisture will not exceed 32% during the Performance Period
- Contractor guarantees refuse pile will be maintained at normal stability standards and will be workable (move and push) by Cat D8 LGP dozer
- Contractor guarantees all equipment to be in sufficient working order and to supply sufficient manpower to work at 97% availability to include standby equipment or personnel -- NPT (non-productive time) will be under 3% excluding planned maintenance

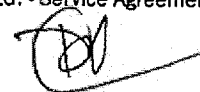
Contractor guarantees its performance will exceed the Performance Criteria listed above. Contractor understands time is of the essence for purposes of its achievement of the Performance Criteria, and agrees that if necessary, Contractor will furnish any additional equipment, manpower, and supplies necessary to meet all Performance Criteria, at Contractor's sole cost and expense, within forty-eight hours of its receipt of any deficiency notice from Company. An email from Company to Contractor shall suffice for purposes of serving Company with a deficiency notice.

3. Clean Up: Upon completion of the work which shall be to the satisfaction of a representative of the Company, Contractor will clean up the premises in accordance with the schedule set forth above and place any excess or unused material at points or places as designated or under the direction of a representative of the Company.
4. Amount and Time of Payment: Contractor will provide all Labor and Equipment required to perform the Services at a price not to exceed \$24,000 CAD per operational day plus applicable GST tax at 5% or \$2,160,000 CAD in the aggregate (the "Contract Price"). The contractor acknowledges the preparation plant will have non-operational days including unscheduled downtime events, planned maintenance or any other reason the facility does not operate. The Contractor will bill standby/maintenance days at \$19,000 CAD per day. In the event non-operational days are less than 24 hours, Stillwater will schedule work for the remainder of the day upon completion of maintenance / downtime event. Contractor will provide all Additional Labor and Equipment at the price designated or such Additional Labor and Equipment in Paragraph 1, above. Contractor shall invoice on a weekly basis (Monday – Sunday), and all invoices shall be payable on a net thirty (30) days basis. Prior to payment, the Company may require Contractor to provide adequate proof that satisfactory provision has been made for the payment of any and all claims for damages,



labor, materials, or supplies which Contractor may have incurred or become liable by reason of its performance of the Services.

5. Books and Records. Contractor shall keep detailed books and records relating to all project work performed and such books and records shall upon request at reasonable times be made available for a period of two (2) years after completion of the project work, for inspection or audit by a representative of the Company.
6. Amount and Types of Insurance: Without limiting Contractor's undertaking to protect, indemnify, defend and hold harmless Company and the Indemnified Parties as set forth in this Agreement, Contractor shall procure and maintain, at the cost of Contractor, the following insurance coverages with insurance carrier(s) that are acceptable to Company in Company's sole discretion during the term of this Agreement and all other times during which Contractor, its employees, agents or subcontractors shall be present at the Mine premises, whether performing or correcting any of the work. Before commencing any work under this Agreement, Contractor shall furnish Company with certificates of insurance and/or certified copies of the required insurance policies together with all applicable endorsements attested by a duly authorized representative of the insurance carrier(s) evidencing that the insurance required hereunder is in force and effect and that such insurance will not be reduced, cancelled or materially changed without giving Company at least thirty (30) days prior written notice:
  - (a) Employee Injury Coverage. Contractor shall carry Employer's Liability insurance covering all operations and work hereunder in an amount not less than Five Million Dollars (\$5,000,000) per occurrence or such other reasonable amount as Company may require during the term of this Agreement. All such Employer's Liability insurance and associated insurance policy(ies) shall expressly provide that all rights of subrogation against Company are waived.
  - (b) Public Liability. Commercial General Liability ("CGL") insurance (including premises liability, blanket contractual liability, independent contractor liability, explosion, and products/ completed operations coverage) against damage because of bodily injury, including death, or damage to property of others, such insurance to afford protection to the limit of not less than Five Million Dollars (\$5,000,000) Combined Single Limit per occurrence and not in the aggregate for property damage, personal injury, and bodily injuries, including death. To the extent that Contractor has concurrent obligations or work to be performed at locations other than the project worksite described herein, Contractor's CGL insurer shall endorse its policy(ies) to provide that the required Five Million Dollars (\$5,000,000) aggregate limit set forth above shall apply separately to each location where work is performed by Contractor. This coverage shall include, but not be limited to, provisions for:
    - (A) Premises – operations;
    - (B) Blanket broad form contractual – specifically coverage the indemnity obligations set forth in this Agreement;



- (C) Blanket broad form property damage;
  - (D) Independent contractors;
  - (E) Personal injury;
  - (F) Company named as Additional Insured;
  - (G) Blanket broad form cross liability endorsement;
  - (H) Products and completed operations;
  - (I) Where exposure exists, explosion, collapse, and underground (XCU) hazard exclusions must be deleted; and
  - (J) Waiver by insurer of all payment obligations of Company for payment of premiums, audits, deductibles, retro-adjustments or any other payment obligation due to the insurer by Contractor.
- (c) Automobile Liability. Automobile liability insurance against damage because of bodily injury, including death, or damage to property of others as the result of the operation of any automobile (including coverage for owned vehicles, non-owned vehicles and hired vehicles), with such insurance to afford protection to the limit of not less than Five Million Dollars (\$5,000,000) Combined Single Limit in respect to any one accident. This coverage shall include a cross-liability endorsement, shall name Company as an additional insured, and shall contain a waiver by the insurer of any Obligation on the part of Company for the payment of premiums, audits, deductibles, retro-adjustments or any payment obligation due to the insurer by Contractor.
- (d) Excess Liability. Excess liability insurance applicable to all insurance coverages required under the entirety of this paragraph with combined single limits of Five Million Dollars (\$5,000,000) per occurrence, including a cross-liability endorsement, an endorsement naming Company as an additional insured, and a waiver by the insurer of any obligation on the part of Company for the payment of premiums, audits, deductibles, retro-adjustments or any other payment obligation due the insurer by Contractor.
- (e) Additional Insurance. Such additional types and amounts of insurance as may be required by Company, and Contractor shall cooperate with Company in obtaining such additional coverage.
- (f) Required Endorsements. All insurance policies required by this Agreement shall be endorsed to specifically include the liability assumed by Contractor in favor of Company under the indemnity provisions of this Agreement. In addition, all such policies shall be endorsed to name Company as an Additional Insured and a

A handwritten signature in black ink, appearing to be 'DW', is written over the page number '10' and extends across the bottom right corner of the page.

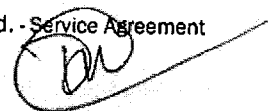
certified copy of such endorsement shall be provided to Company in advance of the commencement of the work under this Agreement. In addition, all such liability policies shall be endorsed to be primary and non-contributory with any other insurance of Company with respect to any and all claims and demands which may be made against Company or the Indemnified Parties, whether on account of injury or death of any person or persons, damage to or loss of property, violation of law or regulation or otherwise, in any way arising out of, related to or attributed to, directly or indirectly, Contractor's Work under this Agreement or the Contract Documents. Company reserves the right to approve the specific endorsement language granting Company Additional Insured status on all required insurance coverages. Such insurance shall specifically provide that it applies separately to each insured against which claim is made or suit is brought, except with respect to the limits of liability, and shall further provide that all rights of subrogation against Company are waived.

7. Independent Contractor. Nothing contained in this Agreement shall be construed to constitute Contractor as a joint venturer, partner, employee, or agent of the Company, nor shall either party have any authority to bind the other in any respect. It is intended that Contractor shall remain an independent contractor responsible for its own actions. The Contractor is exclusively liable for and shall remit or pay before delinquency all taxes, source deductions, charges, contributions, premiums, assessments and penalties imposed or levied in respect of the services to be performed hereunder and/or arising out or related to the employment of the Contractor's personnel or subcontractors including as applicable and without limitation income tax, employment insurance, Canada Pension Plan and Workers Compensation Board payments. To the extent that the Company is required by any laws, rules, regulations or orders of any government or governmental authority to withhold any sum from amounts owing to the Contractor, the Company shall be entitled to do so and shall hereafter provide the Contractor with appropriate notifications and statements of any deductions and/or disbursements.
8. Assigned Employees: In the event that the Contractor provides services in the form of labor to Company it is recognized that it may be necessary for the Company to direct, supervise and control employees performing work for Company in the event of an emergency. In that event the employee will be deemed an assigned employee from Contractor to Company. In those circumstances the employee's status as an assigned employee will not alter the legal relationship between Company and Contractor. It is understood that a portion of the amount paid to Contractor for labor services will be for expenses including but not limited to workers compensation and other employment costs.
9. Compliance with the Law. Contractor represents and agrees that in performing the project work contemplated of it by this Agreement; it will comply fully with all laws and regulations applicable to said work by all state, local, provincial and federal agencies. Contractor also represents and agrees that it will comply with the Company's rules, regulations, and safety policies while on Company property and performing services for Company. Contractor and Contractor's employees shall at all times make use of all required safety devices including, but not limited to, safety glasses, steel toe shoes, hard hats, metatarsal guards and hearing protection. Contractor shall not allow unauthorized personnel to enter the



premises or operations of the Company. If, at any time, Contractor or any of Contractor's employees receives a citation or violation notice from any federal, provincial, state, or local, agency related to the providing of labor services to the Company or any third party, the citation or violation shall be reviewed by Company and shall constitute cause for the termination of this Agreement at the Company's sole discretion. Contractor shall report any such citation or violation to the Company within three (3) days of issuance thereof to Contractor or Contractor's employee. Contractor shall provide its labor services during such hours or on such shifts as may be requested by the Company. Contractor will conduct all such services in a prudent and workmanlike manner, in accordance with any and all federal, provincial, state, and local laws, rules, and regulations applicable to the operations to be conducted hereunder and, in compliance with such rules for the services which may be established by the Company from time to time and which are generally applicable to the operations of the Company. Contractor agrees to provide to the Company individuals who are legally qualified and certified to perform all assigned tasks. It is the responsibility of the Contractor to ensure all members of their assigned staff have been licensed and certified by the proper regulatory agencies prior to beginning any work on the Company site. Prior to start of work on the Company's property, Contractor will be required to produce copies of all required license and certifications relating to any work being performed. Contractor shall remain responsible for bodily injury and property damage liability while operating said machinery. Contractor represents that the employees furnished by Contractor are familiar with and will obey all applicable local, state, provincial, and federal laws and regulations; that the furnishing of said employees will not result in a violation of any such laws or regulations; that the employees will cooperate with the Company in achieving compliance with all such laws and regulations; will promptly file with the Company if requested, all log sheets, physical examination certificates, accident reports and other reports, documents and data required by law or by Company. All of Contractor's employees that operate any equipment of any kind in the performance of this Agreement shall at all times have and maintain any local, state, provincial, or federal license or permit and training with all necessary class ratings for the equipment to be repaired or operated, or supervision of other personnel.

10. Indemnity. Contractor covenants and agrees to fully defend, protect, indemnify, hold harmless Company, its employees, officers, directors, owners, members, managers and agents from and against each and every claim, demand or cause (including but not limited to reasonable legal fees and expenses incurred in defense of Company), damage or loss in connection therewith which may be made or asserted by Contractor, Contractor's employees or agents, subcontractors of the Contractor or any third parties (including but not limited to Company's agent, servants or employees) on account of personal injury or death or property damaged arising out of, or in any way incidental to, or in connection with the performance of the work hereunder. It is the express intent of the Contractor and Company that the indemnity provided for in this paragraph is indemnity by Contractor to indemnify and protect the Company from the consequences of Company's own negligence, even if that negligence is the sole negligence of the Company.
  
11. Default and Termination. If Company at any time shall become dissatisfied with the performance of Contractor under this Agreement, Company shall have the right to terminate this Agreement and Contractor's work hereunder by written notice to Contractor.



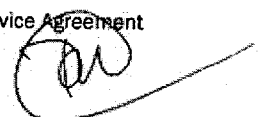
In the event of any such termination by Company, Company shall have no further obligation to Contractor under this Agreement other than the obligation to pay for any work actually performed by Contractor prior to the date of termination for which Contractor has not already been paid.

12. Subcontractors. Contractor will not subcontract the Services, in whole or in part, without Company's prior written approval (which will not be unreasonably withheld). Contractor agrees to: (i) impose on Subcontractors obligations consistent with the terms of this Agreement, and (ii) ensure that Subcontractors comply with this Agreement. Contractor's use of any Subcontractor will not relieve, waive or diminish any obligation Contractor has under this Agreement. Any act or omission by any Subcontractor with respect to any matters related to this Agreement shall be deemed the acts or omissions of Contractor, and Contractor shall be responsible and liable for any breach of the terms of this Agreement by any Subcontractor as if such breach had been that of Contractor. Contractor's certificates of insurance shall include all Subcontractors as insured under its policies or Contractor shall be responsible for ensuring and/or verifying that all Subcontractors have valid and collectable insurance as evidence by the certificates of insurance and endorsements of each Subcontractor. Company reserves the right to require, at any time throughout the term of this Agreement, proof from the Contractor that its Subcontractors have the required insurance. Contractor is solely responsible for the payment of any compensation due or allegedly due to Subcontractors, and Subcontractors may not seek payment (either directly or indirectly) from the Company.
13. Disputes. In the event Company disputes in good faith any charges invoiced by Contractor, then Company shall promptly pay all undisputed charges when due, and Company shall not be deemed to be in breach or default of this Agreement for its failure to pay any disputed charges unless and until such charges are ultimately determined to be owed.
14. Arbitration. If a dispute arises between the parties in connection with this Agreement, either party may initiate binding arbitration by giving notice to the other party. The arbitration shall be conducted pursuant to the rules and procedures of the *Commercial Arbitration Act*. The venue of any arbitration shall be Hinton, Alberta. The arbitrator's award shall be final and binding with no right of appeal and may be converted to a judgement by a court of competent jurisdiction upon application of the other party.
15. Compliance with Laws. Contractor agrees to conduct its operations under this Agreement in conformity with all applicable laws, rules, and regulations, now or hereafter in effect, made by the authority of the local, provincial, or federal governments. To the extent required by Alberta law, Contractor shall file any necessary report or other documents, whether mandatory or permissible, with the applicable governmental or other office(s) in order to properly establish and serve notice of Contractor's sole and exclusive responsibility for the work performed hereunder and the health and safety of its employees, agents and permitted subcontractors and responsibility for compliance with such laws and regulations during the term of this Agreement, and provide Company with a copy of such reports and documents concurrently with submittal to such governmental authorities.





16. Fines and Penalties. Contractor shall be responsible and solely liable for the payment of any assessments, penalties, or other fines imposed by any federal, provincial, or local agency, and for any violation of any federal, provincial, or local law or regulation arising out of Contractor's performance of the work hereunder. Contractor shall provide Company with a copy of all such violations or citations issued by any federal, provincial or local agency immediately upon receipt and fully inform Company of the circumstances surrounding such issuance. Company may, but shall not have any obligation to, compromise and settle any claims for fines or penalties without the approval of Contractor.
17. Workers' Compensation. Contractor shall provide any workers' compensation coverage required by law for its employees and shall certify to Company prior to commencement of the work and on a quarterly basis thereafter compliance therewith in connection with all work performed hereunder. Contractor agrees that it is exclusively liable for, and that it will pay before delinquency, all assessments, payments and premiums imposed or levied by the Workers' Compensation Board in respect of its employees. Notwithstanding anything contained in this Agreement to the contrary, Company, at its sole option, shall have the right to cancel this Agreement immediately and without prior notice, if Contractor's obligations contained in this paragraph are not strictly performed in a timely manner. If the Company incurs any liability to the Workers' Compensation Board whatsoever relating to or on account of the Contractor or its employees, the Company shall be entitled to deduct and set off an amount equal to such liability from any amounts owing to the Contractor without prejudice to any and all other remedies it may have.
18. Equitable Relief. Contractor acknowledges that the injury that would be suffered by Company as a result of a breach of the provisions of this Agreement regarding confidentiality and work product would be irreparable and that an award of monetary damages to Company for such a breach would be an inadequate remedy. Consequently, Company will have the right, in addition to any other right Company may have, to seek injunctive relief to restrain a breach or threatened breach or otherwise specifically to enforce the confidentiality and work product provisions of this Agreement, and Company will not be obligated to post bond or any other security in seeking such relief.
19. Termination. This Agreement may be terminated by either party without cause by the giving of thirty (30) day's written notice thereof to the other party. All project works in progress at the time of termination shall, at the option of the Company, be completed by Contractor and said termination shall have no effect upon the rights of the parties hereto as they pertain to prior or existing project works and any liabilities or injuries arising thereunder.
20. Non Assignability. This Agreement or any project work thereunder shall not be assigned or subcontracted by Contractor without the written consent of the Company. The Company's consent can be withheld at the sole discretion of the Company and without cause.
21. Subsidiaries. The term "Company" as used in this Agreement shall include any or all parent, related or subsidiary entities of the company or affiliate as defined by the Canada Business Corporations Act.



22. Notice. Any notice to be given hereunder by either party to the other shall be in writing addressed to the other party at the address set forth on the signature page of the Agreement.
23. Choice of Law. This agreement shall be governed by and construed in accordance with the laws of the province of Alberta.
24. Prior Agreements and Changes. This Agreement supersedes any and all prior Agreements between Company and Contractor. The terms of this Agreement may be amended as to particular project work to be performed thereunder by written work order but such amendment shall be effective only to the particular project work to which it pertains.

*[Signatures appear on the following page]*

A handwritten signature in black ink, consisting of a circular mark followed by a stylized 'W' and a long horizontal line extending to the right.

Executed hereto on the 14 day of November, 2019.

BY:   
(Signature)

Andrew Larocque  
(Printed Name)

President  
(Title)

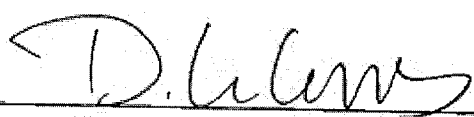
Stillwater Supply Corp  
(Contractor Company Name)

1840-407 2 st SW  
(Address)

Calgary AB T2P2Y3  
(City, Province & Postal Code)

Executed hereto on the 14 day of November, 2019

Coalspur Mines (Operations) Ltd,  
110 MacLeod Avenue  
Hinton, Alberta, T7V 2A9

BY: 

President  
(Title)

Start-up Date: Nov 19, 2019

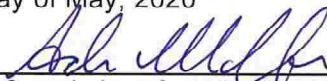
Initial: 

Initial: 

THIS IS EXHIBIT " B "  
referred to in the Affidavit of

Andrew Larocque

Sworn before me this 17  
day of May, 2020

  
A Commissioner for oaths in and for the  
Province of Alberta

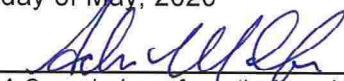
Andrew MacGregor  
Barrister & Solicitor

**Lease Agreements and Legal Descriptions of the Lands**

Lease Agreement Number	Land Description
013 1307050787	5-22-051: 19N 5-23-051: 22N; 23N; 24N; 25; 26
013 1307050793	5-23-051: 27; 34-36
013 1307050794	5-23-051: 28; 29; 32; 33
013 1307050795	5-23-051: 30; 31 5-24-051: 25L16; 36NE, L1, L7, L8, L11, L13, L14
013 1307050797	5-22-051: 6NW; 7N, SW 5-23-051: 1L16; 11NE, L13, L14; 12N, SE, L5, L6; 13SW, L1, L2; 14S, L9-L12
013 1307050798	5-23-051: 10L16; 15; 16N, SE, L3, L5, L6; 17N, L7, L8; 20L1-L4
013 1307050799	5-22-051: 18 5-23-051: 13N, L7, L8; 14L 13-L16; 23S; 24S
013 1307050800	5-23-051: 20N, L5-L8; 21; 22S
013 1307070587	5-23-050: 25L16; 35 NE, L14; 36N, L1, L5-L8 5-23-051: 1S, NW, L9, L10, L15; 2NE, L1, L6-L8; 11SE; 12L3, L4
013 1307070588	5-23-051: 2NW; 3NE, L13, L14; 4L16; 8N, SE, L5, L6; 9; 10S, NW, L9, L10, L15; 11SW, L11, L12
013 1308050905	5-23-051: 16L4; 17SW, L1, L2
013 1308120622	5-23-051: 6W 5-24-050: 35; 36 5-24-051: 1; 2N, L6-L8
013 1308120624	5-23-051: 18NW, L15, L16; 19 5-24-051: 13; 14N; 23; 24
013 1311050581	5-23-051: 6E

013 1311050582	5-23-051: 18L9, L10
013 1314080363	5-23-050: 34N; 35S, L11-L13; 36L2-L4 5-23-051: 2L2-L5; 3S, L11, L12; 4S, NW, L9, L10, L15; 5;8L3, L4
013 1308020345	5-23-051: 7; 18S

THIS IS EXHIBIT "   C   "  
referred to in the Affidavit of  
Andrew Larocque  
Sworn before me this   17    
day of May, 2020

  
\_\_\_\_\_  
*A Commissioner for oaths in and for the  
Province of Alberta*

**Andrew MacGregor**  
Barrister & Solicitor



# Invoice

**Company Address**

Stillwater Supply Corp.  
 Suite 1840, 407 2 St. SW, Calgary AB T2P 2Y3  
 (306) 370-9022

**Date** 2019-12-16  
**Invoice #** BH-013  
**GST #** 765771134

Coalspur Mines Operation  
 P.O. Box 6146  
 Hinton AB T7V 1X5

**Prepared by:** Alysha Phaneuf

**Comments or Special Instructions**

Quantity	Description	Unit Price	Taxable?	Amount
	<b>10-Dec-19</b>			
-	Day Rate - Operating	\$ 24,000.00	Yes	\$ -
1	Day Rate - Standby	\$ 19,000.00	Yes	\$ 19,000.00
	Note: Waiting on power hook up			
	<b>11-Dec-19</b>			
-	Day Rate - Operating	\$ 24,000.00	Yes	\$ -
1	Day Rate - Standby	\$ 19,000.00	Yes	\$ 19,000.00
	Note: Waiting on power hook up			
	<b>12-Dec-19</b>			
-	Day Rate - Operating	\$ 24,000.00	Yes	\$ -



Quantity	Description	Unit Price	Taxable?	Amount
1	Day Rate - Standby	\$ 19,000.00	Yes	\$ 19,000.00
	Note: Waiting on power hook up			
	<b>13-Dec-19</b>			
-	Day Rate - Operating	\$ 24,000.00	Yes	\$ -
1	Day Rate - Standby	\$ 19,000.00	Yes	\$ 19,000.00
	Note: Waiting on power hook up			
	<b>14-Dec-19</b>			
1	Day Rate - Operating	\$ 24,000.00	Yes	\$ 24,000.00
	Day Rate - Standby	\$ 19,000.00	Yes	\$ -
	Note: Received power hook up			
	<b>15-Dec-19</b>			
1	Day Rate - Operating	\$ 24,000.00	Yes	\$ 24,000.00
	Day Rate - Standby	\$ 19,000.00	Yes	\$ -
	Note:			

Net 30 - All outstanding invoices subject to an automatic 24% annual interest.

*Please make check payable to Stillwater Supply Corp.*

If you have any questions concerning this invoice, please contact:  
[andrew@stillwaterusa.com](mailto:andrew@stillwaterusa.com)

Thank you for your business!

Subtotal	\$ 124,000.00
Subtotal	\$ 124,000.00
Tax Rate	5.00%
Sales Tax	\$ 6,200.00
Other	
<b>TOTAL</b>	<b>\$ 130,200.00</b>



# Invoice

**Company Address**

Stillwater Supply Corp.  
 Suite 1840, 407 2 St. SW, Calgary AB T2P 2Y3

(306) 370-9022

Coalspur Mines Operation  
 P.O. Box 6146  
 Hinton AB T7V 1X5

Date 2019-12-23  
 Invoice # BH-014  
 GST # 765771134

Prepared by: Alysha Phaneuf

**Comments or Special Instructions**

Quantity	Description	Unit Price	Taxable?	Amount
1	Mobilization Charge	\$ 18,060.00	Yes	\$ 18,060.00

Net 30 - All outstanding invoices subject to an automatic 24% annual interest.

*Please make check payable to Stillwater Supply Corp.*

If you have any questions concerning this invoice, please contact:  
[andrew@stillwaterusa.com](mailto:andrew@stillwaterusa.com)

Thank you for your business!

Subtotal	\$ 18,060.00
Subtotal	\$ 18,060.00
Tax Rate	5.00%
Sales Tax	\$ 903.00
Other	
<b>TOTAL</b>	<b>\$ 18,963.00</b>



# Invoice

**Company Address**

Stillwater Supply Corp.  
 Suite 1840, 407 2 St. SW, Calgary AB T2P 2Y3  
 (306) 370-9022

Coalspur Mines Operation  
 P.O. Box 6146  
 Hinton AB T7V 1X5

**Date** 2019-12-23  
**Invoice #** BH-015  
**GST #** 765771134

**Prepared by:** Alysha Phaneuf

**Comments or Special Instructions**

Quantity	Description	Unit Price	Taxable?	Amount
	<b>16-Dec-19</b>			
1	Day Rate - Operating	\$ 24,000.00	Yes	\$ 24,000.00
	Day Rate - Standby	\$ 19,000.00	Yes	\$ -
	Note:			
	<b>17-Dec-19</b>			
1	Day Rate - Operating	\$ 24,000.00	Yes	\$ 24,000.00
	Day Rate - Standby	\$ 19,000.00	Yes	\$ -
	Note:			
	<b>18-Dec-19</b>			
1	Day Rate - Operating	\$ 24,000.00	Yes	\$ 24,000.00

Quantity	Description	Unit Price	Taxable?	Amount
	Day Rate - Standby	\$ 19,000.00	Yes	\$ -
	Note:			
	<b>19-Dec-19</b>			
1	Day Rate - Operating	\$ 24,000.00	Yes	\$ 24,000.00
	Day Rate - Standby	\$ 19,000.00	Yes	\$ -
	Note:			
	<b>20-Dec-19</b>			
1	Day Rate - Operating	\$ 24,000.00	Yes	\$ 24,000.00
	Day Rate - Standby	\$ 19,000.00	Yes	\$ -
	Note:			
	<b>21-Dec-19</b>			
1	Day Rate - Operating	\$ 24,000.00	Yes	\$ 24,000.00
	Day Rate - Standby	\$ 19,000.00	Yes	\$ -
	Note:			
	<b>22-Dec-19</b>			
1	Day Rate - Operating	\$ 24,000.00	Yes	\$ 24,000.00
	Day Rate - Standby	\$ 19,000.00	Yes	\$ -
	Note:			
Net 30 - All outstanding invoices subject to an automatic 24% annual interest.				Subtotal
				\$ 168,000.00
				Subtotal
				\$ 168,000.00

Quantity	Description	Unit Price	Taxable?	Amount
<i>Please make check payable to Stillwater Supply Corp.</i>			Tax Rate	5.00%
If you have any questions concerning this invoice, please contact: <a href="mailto:andrew@stillwaterusa.com">andrew@stillwaterusa.com</a>			Sales Tax	\$ 8,400.00
Thank you for your business!			Other	
			<b>TOTAL</b>	<b>\$ 176,400.00</b>



# Invoice

**Company Address**

Stillwater Supply Corp.  
 Suite 1840, 407 2 St. SW, Calgary AB T2P 2Y3  
 (306) 370-9022

Coalspur Mines Operation  
 P.O. Box 6146  
 Hinton AB T7V 1X5

**Date** 2019-12-30  
**Invoice #** BH-016  
**GST #** 765771134

**Prepared by:** Alysha Phaneuf

**Comments or Special Instructions**

Quantity	Description	Unit Price	Taxable?	Amount
	<b>23-Dec-19</b>			
1	Day Rate - Operating	\$ 24,000.00	Yes	\$ 24,000.00
	Day Rate - Standby	\$ 19,000.00	Yes	\$ -
	Note:			
	<b>24-Dec-19</b>			
1	Day Rate - Operating	\$ 24,000.00	Yes	\$ 24,000.00
	Day Rate - Standby	\$ 19,000.00	Yes	\$ -
	Note:			
	<b>25-Dec-19</b>			
	Day Rate - Operating	\$ 24,000.00	Yes	\$ -

Quantity	Description	Unit Price	Taxable?	Amount
1	Day Rate - Standby	\$ 19,000.00	Yes	\$ 19,000.00
	Note:			
	<b>26-Dec-19</b>			
	Day Rate - Operating	\$ 24,000.00	Yes	\$ -
1	Day Rate - Standby	\$ 19,000.00	Yes	\$ 19,000.00
	Note:			
	<b>27-Dec-19</b>			
	Day Rate - Operating	\$ 24,000.00	Yes	\$ -
1	Day Rate - Standby	\$ 19,000.00	Yes	\$ 19,000.00
	Note: Stacker down for full day			
	<b>28-Dec-19</b>			
1	Day Rate - Operating	\$ 24,000.00	Yes	\$ 24,000.00
	Day Rate - Standby	\$ 19,000.00	Yes	\$ -
	Note:			
	<b>29-Dec-19</b>			
1	Day Rate - Operating	\$ 24,000.00	Yes	\$ 24,000.00
	Day Rate - Standby	\$ 19,000.00	Yes	\$ -
	Note:			

Net 30 - All outstanding invoices subject to an automatic 24% annual interest.

Subtotal \$ 153,000.00

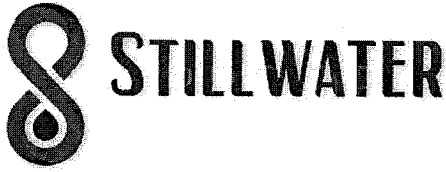
Subtotal \$ 153,000.00

Quantity	Description	Unit Price	Taxable?	Amount
<i>Please make check payable to Stillwater Supply Corp.</i>				
			Tax Rate	5.00%
			Sales Tax	\$ 7,650.00
			Other	
			<b>TOTAL</b>	<b>\$ 160,650.00</b>

If you have any questions concerning this invoice, please contact:  
[andrew@stillwaterusa.com](mailto:andrew@stillwaterusa.com)

Thank you for your business!





# Invoice

**Company Address**

Stillwater Supply Corp.  
 Suite 1840, 407 2 St. SW, Calgary AB T2P 2Y3  
 (306) 370-9022

**Date** 2020-01-06  
**Invoice #** BH-017  
**GST #** 765771134

Coalspur Mines Operation  
 P.O. Box 6146  
 Hinton AB T7V 1X5

**Prepared by:** Alysha Phaneuf

**Comments or Special Instructions**

Quantity	Description	Unit Price	Taxable?	Amount
	<b>30-Dec-19</b>			
1	Day Rate - Operating	\$ 24,000.00	Yes	\$ 24,000.00
	Day Rate - Standby	\$ 19,000.00	Yes	\$ -
	Note:			
	<b>31-Dec-19</b>			
1	Day Rate - Operating	\$ 24,000.00	Yes	\$ 24,000.00
	Day Rate - Standby	\$ 19,000.00	Yes	\$ -
	Note:			
	<b>01-Jan-20</b>			
	Day Rate - Operating	\$ 24,000.00	Yes	\$ -

Quantity	Description	Unit Price	Taxable?	Amount	
1	Day Rate - Standby	\$ 19,000.00	Yes	\$ 19,000.00	
	Note: Maintenance day				
	<b>02-Jan-20</b>				
1	Day Rate - Operating	\$ 24,000.00	Yes	\$ 24,000.00	
	Day Rate - Standby	\$ 19,000.00	Yes	\$ -	
	Note:				
	<b>03-Jan-20</b>				
1	Day Rate - Operating	\$ 24,000.00	Yes	\$ 24,000.00	
	Day Rate - Standby	\$ 19,000.00	Yes	\$ -	
	Note: Stacker down for full day				
	<b>04-Jan-20</b>				
1	Day Rate - Operating	\$ 24,000.00	Yes	\$ 24,000.00	
	Day Rate - Standby	\$ 19,000.00	Yes	\$ -	
	Note:				
	<b>05-Jan-20</b>				
1	Day Rate - Operating	\$ 24,000.00	Yes	\$ 24,000.00	
	Day Rate - Standby	\$ 19,000.00	Yes	\$ -	
	Note:				
				Subtotal	\$ 163,000.00
				Subtotal	\$ 163,000.00

Net 30 - All outstanding invoices subject to an automatic 24% annual interest.

Quantity	Description	Unit Price	Taxable?	Amount
<i>Please make check payable to Stillwater Supply Corp.</i>			Tax Rate	5.00%
If you have any questions concerning this invoice, please contact: <a href="mailto:andrew@stillwaterusa.com">andrew@stillwaterusa.com</a>			Sales Tax	\$ 8,150.00
Thank you for your business!			Other	
			<b>TOTAL</b>	<b>\$ 171,150.00</b>



Invoice

**Company Address**

Stillwater Supply Corp.  
 Suite 1840, 407 2 St. SW, Calgary AB T2P 2Y3  
 (306) 370-9022

Date 2020-01-13  
 Invoice # BH-018  
 GST # 765771134

Coalspur Mines Operation  
 P.O. Box 6146  
 Hinton AB T7V 1X5

Prepared by: Alysha Phaneuf

**Comments or Special Instructions**

Quantity	Description	Unit Price	Taxable?	Amount
	<b>06-Jan-20</b>			
1	Day Rate - Operating	\$ 24,000.00	Yes	\$ 24,000.00
	Day Rate - Standby	\$ 19,000.00	Yes	\$ -
	Note:			
	<b>07-Jan-20</b>			
1	Day Rate - Operating	\$ 24,000.00	Yes	\$ 24,000.00
	Day Rate - Standby	\$ 19,000.00	Yes	\$ -
	Note:			
	<b>08-Jan-20</b>			
1	Day Rate - Operating	\$ 24,000.00	Yes	\$ 24,000.00

Quantity	Description	Unit Price	Taxable?	Amount
	Day Rate - Standby	\$ 19,000.00	Yes	\$ -
	Note: Maintenance day			
	<b>09-Jan-20</b>			
1	Day Rate - Operating	\$ 24,000.00	Yes	\$ 24,000.00
	Day Rate - Standby	\$ 19,000.00	Yes	\$ -
	Note:			
	<b>10-Jan-20</b>			
1	Day Rate - Operating	\$ 24,000.00	Yes	\$ 24,000.00
	Day Rate - Standby	\$ 19,000.00	Yes	\$ -
	Note: Stacker down for full day			

Net 30 - All outstanding invoices subject to an automatic 24% annual interest.

Subtotal \$ 120,000.00

Subtotal \$ 120,000.00

**Please make check payable to Stillwater Supply Corp.**

Tax Rate 5.00%

If you have any questions concerning this invoice, please contact:  
[andrew@stillwaterusa.com](mailto:andrew@stillwaterusa.com)

Sales Tax \$ 6,000.00

Thank you for your business!

Other

**TOTAL \$ 126,000.00**



# Invoice

**Company Address**

Stillwater Supply Corp.  
 Suite 1840, 407 2 St. SW, Calgary AB T2P 2Y3  
 (306) 370-9022

Coalspur Mines Operation  
 P.O. Box 6146  
 Hinton AB T7V 1X5

**Date** 2020-01-15  
**Invoice #** BH-019  
**GST #** 765771134

**Prepared by:** Alysha Phaneuf

**Comments or Special Instructions**

Quantity	Description	Unit Price	Taxable?	Amount
1	De-Mobilization Charge	\$ 18,060.00	Yes	\$ 18,060.00

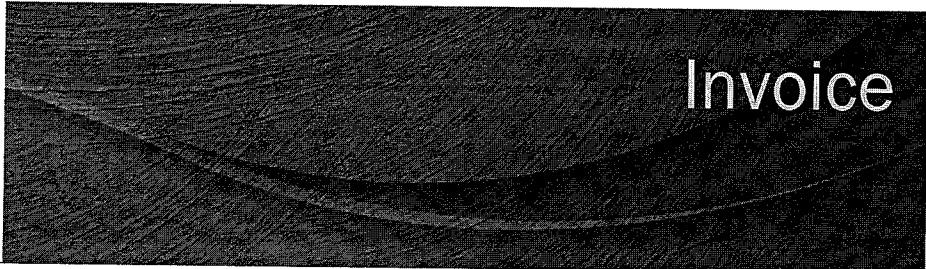
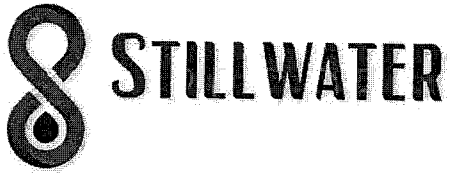
Net 30 - All outstanding invoices subject to an automatic 24% annual interest.

*Please make check payable to Stillwater Supply Corp.*

If you have any questions concerning this invoice, please contact:  
[andrew@stillwaterusa.com](mailto:andrew@stillwaterusa.com)

Thank you for your business!

Subtotal	\$ 18,060.00
Subtotal After Discount	\$ 18,060.00
Tax Rate	5.00%
Sales Tax	\$ 903.00
Other	
<b>TOTAL</b>	<b>\$ 18,963.00</b>



# Invoice

**Company Address**

Stillwater Supply Corp.  
 Suite 1840, 407 2 St. SW, Calgary AB T2P 2Y3  
 (306) 370-9022

**Date** 2020-01-15  
**Invoice #** BH-021  
**GST #** 765771134

Coalspur Mines Operation  
 P.O. Box 6146  
 Hinton AB T7V 1X5

**Prepared by:** Alysha Phaneuf

**Comments or Special Instructions**

Quantity	Description	Unit Price	Taxable?	Amount
1	Electrical equipment (Inc. delivery)	\$ 12,732.70	Yes	\$ 12,732.70
	Note: At our cost - Invoice attached			
1	Electrical equipment (2nd Invoice)	\$ 11,345.20	Yes	\$ 11,345.20
	Note: At our cost - Invoice attached			
1	Electrical equipment Return	\$ 1,980.00	Yes	\$ 1,980.00
	Note: At our cost - Invoice attached			

Net 30 - All outstanding invoices subject to an automatic 24% annual interest.

Subtotal \$ 26,057.90

Subtotal \$ 26,057.90

Quantity	Description	Unit Price	Taxable?	Amount
<i>Please make check payable to Stillwater Supply Corp.</i>			Tax Rate	5.00%
If you have any questions concerning this invoice, please contact: <a href="mailto:andrew@stillwaterusa.com">andrew@stillwaterusa.com</a>			Sales Tax	\$ 1,302.90
Thank you for your business!			Other	
			<b>TOTAL</b>	<b>\$ 27,360.80</b>

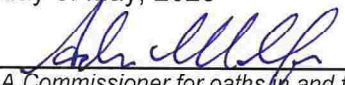


THIS IS EXHIBIT “ D ”  
referred to in the Affidavit of

Andrew Larocque

Sworn before me this 17

day of May, 2020

  
\_\_\_\_\_  
*A Commissioner for oaths and for the  
Province of Alberta*

**Andrew MacGregor**  
Barrister & Solicitor



Energy Operations  
PNG Tenure  
9945 108 Street  
North Petroleum Plaza  
Edmonton, Alberta T5K 2G6  
Canada  
Telephone: (780) 427 8050  
Fax: (780) 422 1123  
Email: [Transfers.energy@gov.ab.ca](mailto:Transfers.energy@gov.ab.ca)  
[www.alberta.ca](http://www.alberta.ca)

February 25, 2020

File No: 013 1307050787 et al.  
Your File No(s): 101834-00001

DLA PIPER (CANADA) LLP  
250 2 ST SW SUITE 1000  
CALGARY AB T2P 0C1

Attention: Kim Nutt

Document Registration No(s): 2000528

**RE: DOCUMENT REGISTRATION ADVICE**

The document you recently submitted has been registered.

Enclosed for your records is a registered copy of the Builder's Lien.

**PLEASE NOTE:**

**Pursuant to Section 43 (1) of the Builders' Lien Act, this/these Lien(s) expire(s) within 180 days from the date registered unless a legal action is commenced and a Certificate of Lis Pendens is filed in respect of the Lien(s).**

Sincerely,

Daniel Langelier  
Land Analyst  
PNG Sales & Registrations

Form 2  
(Sections 34 and 36)

Statement of Lien Upon Interest in Crown Minerals

This statement of lien applies in respect of the following (check the appropriate box):

- To work done or materials furnished in respect of improvements, other than improvements to an oil or gas well or to an oil or gas well site, in which case this lien is to be registered with the Minister of Energy not later than 45 days from the last day that the work was last done or the materials were last furnished.
- To work done or materials furnished in respect of improvements to an oil and gas well or to an oil or gas well site in which case this lien is to be registered with the Minister of Energy not later than 90 days from the last day that the work was done or the materials were last furnished.

STILLWATER SUPPLY CORP. of 1840, 407 - 2ND STREET SW, CALGARY ALBERTA T2P 2Y3, claims a lien under the Builders' Lien Act upon the interest in minerals of

Owner: COALSPUR MINES (OPERATIONS) LTD.  
Address: 110 MACLEOD AVE  
HINTON AB T7V 2A9

in the following land:

Agreement Type/Number	Land
013 1307050787	All Lands
013 1307050793	All Lands
013 1307050794	All Lands
013 1307050795	All Lands
013 1307050797	All Lands
013 1307050798	All Lands
013 1307050799	All Lands
013 1307050800	All Lands
013 1307070587	All Lands
013 1307070588	All Lands
013 1308050905	All Lands
013 1308120622	All Lands
013 1308120624	All Lands
013 1311050581	All Lands
013 1311050582	All Lands
013 1314080363	All Lands

The mineral is coal.

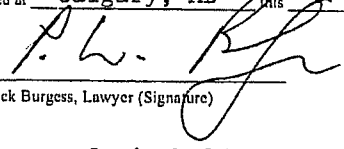
The lien is claimed in respect of the following work or materials, that is to say: provision of equipment and services for the dewatering of underflow of thickener tanks at a coal mine operation, which work was or is to be done for or which materials were or are to be furnished for COALSPUR MINES (OPERATIONS) LTD., 110 MACLEOD AVE, HINTON AB T7V 2A9

The work was completed or the materials were last furnished on the 10 day of January, 2020

The sum claimed as due or to become due is \$829,686.60

The address for service of the lienholder hereunder is  
DLA PIPER (CANADA) LLP  
250 2 ST SW SUITE 1000  
CALGARY AB T2P 0C1  
in the Province of Alberta

Dated at Calgary, AB this 24 day of February, 2020.



Patrick Burgess, Lawyer (Signature)

Agent of Lienholder

(Status of signatory, eg lienholder; agent of lienholder; or where the lienholder or agent is a corporation, the signatory's position with the corporation)

Form 3  
(Sections 34(6))

Affidavit Verifying Claim

I \_\_\_\_\_ of \_\_\_\_\_  
(name of lienholder) (address of lienholder)  
in the Province of \_\_\_\_\_,  
(occupation)  
named in the above (or annexed) statement make oath and say that the said claim is true.

Sworn before me at the \_\_\_\_\_ of \_\_\_\_\_  
in the Province of \_\_\_\_\_, this \_\_\_\_\_  
day of \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
A Commissioner for oaths in and for the Province of  
Alberta

\_\_\_\_\_  
Printed or stamped name of Commissioner for Oaths and  
date on which appointment expires

Form 4  
(Sections 34(6) and (7))

Affidavit Verifying Claim by Other Than Lienholder

I Patrick Burgess of Calgary  
(name of deponent) (address of deponent)  
in the Province of Alberta, Barrister and Solicitor  
(occupation)

make oath and say :

- (1) That I am the agent (or assignee) of \_\_\_\_\_ named in the above (or annexed) statement and have full knowledge of the facts set forth in the above (or annexed) statement.  
(Or I am informed by Andrew Larocque of Stillwater Supply Corp.  
(source of information)  
and believe that the facts are as set forth in the above (or annexed) statement]
- (2) ~~That the said claim is true (or when deponent has been informed, That I believe that the said claim is true).~~

Sworn before me at the City of \_\_\_\_\_  
Calgary  
in the Province of Alberta, this \_\_\_\_\_  
24th day of \_\_\_\_\_  
February, 2020

Andrew MacGregor  
Signature

**Andrew MacGregor**  
**Barrister & Solicitor**

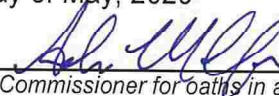
Adrian McLaughlin  
A Commissioner for oaths in and for the Province of  
Alberta

\_\_\_\_\_  
Printed or stamped name of Commissioner for Oaths and  
date on which appointment expires

THIS IS EXHIBIT " E "  
referred to in the Affidavit of

Andrew Larocque

Sworn before me this 17  
day of May, 2020

  
\_\_\_\_\_  
*A Commissioner for oaths in and for the  
Province of Alberta*

**Andrew MacGregor**  
Barrister & Solicitor



Energy Operations  
PNG Tenure  
9945 108 Street  
North Petroleum Plaza  
Edmonton, Alberta T5K 2G6  
Canada  
Telephone: (780) 427 8050  
Fax: (780) 422 1123  
Email: [Transfers.energy@gov.ab.ca](mailto:Transfers.energy@gov.ab.ca)  
[www.alberta.ca](http://www.alberta.ca)

February 25, 2020

File No: 013 1308020345  
Your File No(s): 101834-00001

DLA PIPER (CANADA) LLP  
250 2 ST SW SUITE 1000  
CALGARY AB T2P 0C1

Attention: Kim Nutt

Document Registration No(s): 2000527

**RE: DOCUMENT REGISTRATION ADVICE**

The document you recently submitted has been registered.

Enclosed for your records is a registered copy of the Builder's Lien.

**PLEASE NOTE:**

**Pursuant to Section 43 (1) of the Builders' Lien Act, this/these Lien(s) expire(s) within 180 days from the date registered unless a legal action is commenced and a Certificate of Lis Pendens is filed in respect of the Lien(s).**

Sincerely,

Daniel Langelier  
Land Analyst  
PNG Sales & Registrations

Form 2  
(Sections 34 and 36)

Statement of Lien Upon Interest in Crown Minerals

This statement of lien applies in respect of the following (check the appropriate box):

- To work done or materials furnished in respect of improvements, other than improvements to an oil or gas well or to an oil or gas well site, in which case this lien is to be registered with the Minister of Energy not later than 45 days from the last day that the work was last done or the materials were last furnished.
- To work done or materials furnished in respect of improvements to an oil and gas well or to an oil or gas well site in which case this lien is to be registered with the Minister of Energy not later than 90 days from the last day that the work was done or the materials were last furnished.

STILLWATER SUPPLY CORP. of 1840, 407 - 2ND STREET SW, CALGARY ALBERTA T2P 2Y3, claims a lien under the Builders' Lien Act upon the interest in minerals of

Owner: CONSOLIDATED TANAGER LIMITED  
Address: 1900 BAYVIEW AVE SUITE 331  
TORONTO ON M4G 0A6

in the following land:

Agreement Type/Number	Land
013 1308020345	All Lands

The mineral is coal.

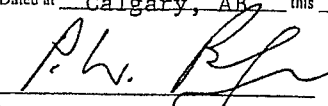
The lien is claimed in respect of the following work or materials, that is to say: provision of equipment and services for the dewatering of underflow of thickener tanks at a coal mine operation, which work was or is to be done for or which materials were or are to be furnished for COALSPUR MINES (OPERATIONS) LTD., 110 MACLEOD AVE, HINTON AB T7V 2A9

The work was completed or the materials were last furnished on the 10 day of January, 2020

The sum claimed as due or to become due is \$829,686.60

The address for service of the lienholder hereunder is  
DLA PIPER (CANADA) LLP  
250 2 ST SW SUITE 1000  
CALGARY AB T2P 0C1  
in the Province of Alberta

Dated at Calgary, AB this 24 day of February, 2020

  
Patrick Burgess, Lawyer (Signature)

Agent of Lienholder

(Status of signatory, eg lienholder; agent of lienholder; or where the lienholder or agent is a corporation, the signatory's position with the corporation)



Form 3  
(Sections 34(6))

Affidavit Verifying Claim

I \_\_\_\_\_ of \_\_\_\_\_  
(name of lienholder) (address of lienholder)  
in the Province of \_\_\_\_\_,  
(occupation)

named in the above (or annexed) statement make oath and say that the said claim is true.

Sworn before me at the \_\_\_\_\_ of \_\_\_\_\_  
in the Province of \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
A Commissioner for oaths in and for the Province of Alberta

\_\_\_\_\_  
Printed or stamped name of Commissioner for Oaths and date on which appointment expires

Form 4  
(Sections 34(6) and (7))

Affidavit Verifying Claim by Other Than Lienholder

I Patrick Burgess of Calgary  
(name of deponent) (address of deponent)  
in the Province of Alberta, Barrister and Solicitor  
(occupation)

make oath and say :

- (1) That I am the agent (or assignee) of \_\_\_\_\_ named in the above (or annexed) statement and have full knowledge of the facts set forth in the above (or annexed) statement. I am informed by Andrew Larocque of Stillwater Supply Corp. and believe that the facts are as set forth in the above (or annexed) statement.  
(source of information)
- (2) That the said claim is true (or when deponent has been informed, That I believe that the said claim is true).

Sworn before me at the City of Calgary  
in the Province of Alberta, this 24<sup>th</sup> day of February, 2020.

Andrew MacGregor  
Signature

Andrew MacGregor  
Barrister & Solicitor

[Signature]  
A Commissioner for oaths in and for the Province of Alberta

\_\_\_\_\_  
Printed or stamped name of Commissioner for Oaths and date on which appointment expires

AMENDED this 4th day of  
August, 2020 Pursuant to  
Rule 3.62  
dated the 4 day of August, 2020

Clerk's stamp:



COURT FILE NUMBER 2001-05044

COURT QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFF(S) **STILLWATER SUPPLY CORP.**

DEFENDANT(S) **COALSPUR MINES (OPERATIONS) LTD.  
and CONSOLIDATED Tanager LIMITED**

DOCUMENT **AMENDED STATEMENT OF CLAIM**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF PARTY  
FILING THIS DOCUMENT

Andrew MacGregor  
DLA Piper (Canada) LLP  
Barristers and Solicitors  
1000, 250 - 2<sup>nd</sup> Street SW  
Calgary, Alberta T2P 0C1  
Phone: 403.698.8720  
Fax: 403.213.4467  
File No.: 104233-00001/AM

### NOTICE TO DEFENDANT(S)

You are being sued. You are a defendant.

Go to the end of this document to see what you can do and when you must do it.

**Note: State below only facts and not evidence (Rule 13.6)**

### Statement of facts relied on:

1. The Plaintiff, Stillwater Supply Corp. ("**Stillwater**"), is a corporation incorporated pursuant to the laws of the Province of Alberta. Stillwater carries on business in the province of Alberta and has an office in the City of Calgary.

2. The Defendant, Coalspur Mines (Operations) Ltd. (“**Coalspur**”), is a corporation incorporated pursuant to the laws of the Province of Alberta. Coalspur carries on business in the province of Alberta and its registered office is located in Hinton, Alberta.
3. Coalspur previously carried on business as Xenolith Coal Canada Ltd.
4. The Defendant, Consolidated Tanager Limited (“**Consolidated**”), is a corporation incorporated pursuant to the laws of the Province of Ontario and is extra-provincially registered to carry on business throughout Canada. Consolidated has interests in coal leases in Hinton, Alberta.

### The Work

5. Pursuant to an agreement prepared by Coalspur between Stillwater and Coalspur, (the “**Agreement**”), Stillwater provided services and equipment to Coalspur to assist with the dewatering of underflow at Coalspur’s mining operation (the “**Project**”) located in Hinton, Alberta (the “**Work**”).
6. The express or implied terms of the Agreement between Stillwater and Coalspur included, *inter alia*, that any sums due and owing for the Work performed at the Project shall be paid within net thirty (30) days after the date of invoice.
7. The Agreement provided a maximum chargeable rate for mobilization and demobilization of \$18,060.00.
8. The Agreement set separate day rates for operational days when Stillwater was running equipment and conducting dewatering, and for non-operational days when Stillwater was required to be on stand-by.
9. Stillwater was entitled to charge a daily rate not exceeding \$24,000 plus GST for operational days, and a daily rate not exceeding \$19,000.00 plus GST for non-operational days.
10. The Work was last performed on January 15, 2020.

### The Invoices

11. Stillwater invoiced Coalspur from time to time for the Work furnished to the Project as follows

<b>Invoice</b>	<b>Date</b>	<b>Amount</b>
BH-013	2019-12-16	\$130,200.00
BH-014	2019-12-23	\$18,963.00
BH-015	2019-12-23	\$176,400.00
BH-016	2019-12-30	\$160,650.00
BH-017	2020-01-06	\$171,150.00
BH-018	2020-01-13	\$126,000.00

BH-019	2020-01-15	\$18,963.00
BH-021	2020-01-15	\$27,360.80
<b>TOTAL</b>		<b>829,686.80</b>

(the “**Invoices**”).

12. Coalspur refused or neglected to pay the Invoices for the Work furnished to the Project and there remains due and owing to Stillwater the sum of \$829,686.80 in regards to the Invoices.

### **Builder’s Liens**

13. By virtue of performing the Work at the Project and Coalspur refusing or neglecting to remit payment, Stillwater became entitled to file builder’s liens against the coal leases in the Project area on January 10, 2020. Pursuant to the *Builders’ Lien Act*, Stillwater registered builders’ liens with Alberta Energy, against the coal leases in the Project area as follows:

#### **Lien 2000527**

<b>Registration Date</b>	<b>Agreement Number</b>
February 24, 2020	013 1308020345

#### **Lien 2000528**

<b>Registration Date</b>	<b>Agreement Number</b>
February 24, 2020	013 1307050787
February 24, 2020	013 1307050793
February 24, 2020	013 1307050794
February 24, 2020	013 1307050795
February 24, 2020	013 1307050797
February 24, 2020	013 1307050798
February 24, 2020	013 1307050799
February 24, 2020	013 1307050800
February 24, 2020	013 1307070587
February 24, 2020	013 1307070588
February 24, 2020	013 1308050905
February 24, 2020	013 1308120622
February 24, 2020	013 1308120624
February 24, 2020	013 1311050581
February 24, 2020	013 1311050582
February 24, 2020	013 1314080363

(the “**Leases**”)

14. Lien 2000527 has been registered against a coal lease held by Consolidated.

15. Lien 2000528 has been registered against coal leases held by Coalspur and registered in the name of Coalspur's previous name, Xenolith Coal Canada Ltd.
16. The total amount of the debt owing from Coalspur to Stillwater for which builder's liens were filed, amounts to \$829,686.80 (the "**Lien Amount**").
17. Stillwater pleads and relies on the provisions of the *Builders' Lien Act* and all amendments thereto and regulations thereunder.

### **Payment for Coalspur's Delays**

18. Coalspur advised Stillwater that Coalspur would provide line power to Stillwater's operations by December 3, 2019, with Stillwater supplying electrical panels at flow-through pricing.
19. Stillwater sourced electrical panels and was ready and willing to commence the Work on December 3, 2019. However, Coalspur failed to provide a line power connection on this date and advised Stillwater that the connection would be made available on December 10, 2019.
20. Coalspur failed to provide line power as represented until December 16, 2019.
21. Coalspur was also to provide Stillwater with a working pump connection in order to bring water from Coalspur's plant to Stillwater's operations. However, a working connection was not provided by Coalspur until December 16, 2019.
22. The Work commenced on December 17, 2019 after line power and a workable pump connection was provided by Coalspur.
23. Coalspur's delays in providing power and a pump connection to Stillwater resulted in Stillwater accumulating fourteen (14) non-operational days under the Agreement between December 3, 2019 and December 16, 2019.
24. On or about January 9, 2020, Coalspur acknowledged to Stillwater that Coalspur was liable for payment for these non-operational days.
25. Notwithstanding its acknowledgement, Coalspur has failed or refused to pay Stillwater for the period of December 3-16, 2019.
26. Coalspur's failure or refusal to make payment in this regard is a breach of the Agreement and entitles Stillwater to payment of \$266,000 (14 days at the non-operational rate of \$19,000) plus GST due to Coalspur's delaying of the Work.

### **Payment in Lieu of Notice**

27. The Agreement requires Coalspur to provide Stillwater with forty-eight (48) hours written notice of any deficiency regarding Performance Criteria as defined under the Agreement ("**Deficiency Notice**").

28. Following the receipt of a Deficiency Notice, Stillwater is required to take whatever steps necessary to address the performance issue identified. Section 2 of the Agreement states in part:

...Contractor will furnish any additional equipment, manpower, and supplies necessary to meet all Performance Criteria, at Contractor's sole cost and expense, within forty-eight hours of its receipt of any deficiency notice from Company. An email from Company to Contractor shall suffice for purposes of serving Company with a deficiency notice.

29. If the performance issue persists following provision of a Deficiency Notice, Coalspur may terminate the Agreement upon written notice while remaining liable for payment for any work completed up until the termination.

30. Section 11 of the Agreement states as follows:

Default and Termination: If Company at any time shall become dissatisfied with the performance of Contractor under this Agreement, Company shall have the right to terminate this Agreement and Contractor's work hereunder by written notice to Contractor. In the event of any such termination by Company, Company shall have no further obligation to Contractor under this Agreement **other than the obligation to pay for any work actually performed by Contractor prior to the date of termination for which Contractor has not already been paid.** (emphasis added)

31. Where there is no cause for the termination, the Agreement requires thirty (30) days' written notice for termination to take effect. Section 19 of the Agreement states as follows:

Termination. This Agreement may be terminated by either party without cause by the giving of thirty (30) day's (*sic*) written notice thereof to the other party. All project works in progress at the time of transmission shall, at the option of the Company, be completed by Contractor and said termination shall have no effect upon the rights of the parties hereto as they pertain to prior or existing project works and any liabilities or injuries arising thereunder.

32. On January 9, 2020, Stillwater requested a meeting with Coalspur personnel (the "**January 9<sup>th</sup> Meeting**"). The purpose of the January 9<sup>th</sup> Meeting was to discuss the status and progress of the Work.

33. Up until the January 9<sup>th</sup> Meeting, Coalspur had expressed confidence in Stillwater's capability to complete the Work and raised no concerns regarding Stillwater's performance.
34. At the January 9<sup>th</sup> Meeting, Coalspur advised Stillwater that the Performance Criteria as defined in the Agreement were not being met and that Coalspur was going to have a meeting to determine its plans regarding the Work going forward.
35. The following day, on January 10, 2020, Coalspur purported to terminate the Agreement by letter stating only that Coalspur was "dissatisfied with Stillwater's performance" (the "**Purported Termination**").
36. The Purported Termination was a termination without cause for the purposes of the Agreement.
37. Throughout Stillwater's time at the Project site, Coalspur personnel attended the Project site daily and Coalspur was fully and regularly apprised of the status and progress of the Work.
38. Prior to the January 9<sup>th</sup> Meeting, which was requested by Stillwater, no concerns regarding Stillwater's performance had been raised by Coalspur.
39. No Deficiency Notice was delivered to Stillwater in advance of the Purported Termination and Stillwater was not afforded any opportunity to address any issues of performance in advance of the Purported Termination as required by the Agreement.
40. Therefore, Coalspur was required to provide Stillwater with thirty (30) days' written notice in advance of termination. In addition to the Lien Amount, Coalspur is liable to Stillwater for payment of the daily operational rate of \$24,000 per day under the Agreement for thirty (30) days past the date of the Purported Termination which totals \$720,000.
41. Despite demands, Coalspur has failed or refused to make payment of any kind to Stillwater in breach of the Agreement.
42. Stillwater pleads the doctrine of *contra proferentum* regarding the interpretation of the Agreement.

**Remedy sought:**

43. The Plaintiff, Stillwater, claims from and against the Defendant, Coalspur:
  - (a) judgment in the amount of \$1,815,686.80, plus interest pursuant to the *Judgment Interest Act*, RSA 2000 c J-1 ("**Judgment Interest Act**").
44. The Plaintiff, Stillwater, claims from and against the Defendants, Coalspur and Consolidated:

- (a) a judgment, declaration, or order that Stillwater is entitled to valid and subsisting charges under the *Builders' Lien Act* on the Leases in the amount of \$829,686.80, together with interest pursuant to the *Judgment Interest Act*;
  - (b) an order providing that in default of payment of the judgment amount, the Defendants' interests in the Leases shall be sold and the proceeds applied in accordance with the provisions of the *Builders' Lien Act*;
  - (c) a declaration that Stillwater's builder's liens have a priority interest in the Leases;
  - (d) an order for the appointment of a Receiver of the Leases pursuant to the *Builders' Lien Act* and revenue against which the claims of lien are registered;
  - (e) such further and other relief as Stillwater may be entitled under the *Builders' Lien Act*;
  - (f) costs of this action on a solicitor and client basis, or alternatively, costs pursuant to the Alberta Rules of Court, Alta Reg 124/2010; and
45. such further and other relief as this Honourable Court deems just and appropriate.

**NOTICE TO THE DEFENDANT(S)**

You only have a short time to do something to defend yourself against this claim:

20 days if you are served in Alberta

1 month if you are served outside Alberta but in Canada

2 months if you are served outside Canada.

You can respond by filing a statement of defence or a demand for notice in the office of the clerk of the Court of Queen's Bench at Calgary, Alberta, AND serving your statement of defence or a demand for notice on the plaintiff's(s') address for service.

**WARNING**

If you do not file and serve a statement of defence or a demand for notice within your time period, you risk losing the law suit automatically. If you do not file, or do not serve, or are late in doing either of these things, a court may give a judgment to the plaintiff(s) against you.



## NOTICE OF DISALLOWANCE

### Regarding Claims Against Coalspur Mines (Operations) Ltd. and/or its Directors or Officers

Claim Reference Number: Claim #90

To: Stillwater Supply Corp  
(Name of Creditor)

brian.davison@dlapiper.com

G. Davison, Q.C. Piper (Canada) LLP; 1000, 250 - 2nd Street SW,  
Calgary, AB, T2P 0C1, Canada

Capitalized terms not otherwise defined in this Notice of Disallowance have the meaning ascribed in the Order (Claims Process) of the Court of Queen's Bench of Alberta (the "Court"), dated August 9, 2021 in Court File No. 2101-05019 (the "Claims Process Order"). All dollar values contained herein are in Canadian dollars unless otherwise noted.

Pursuant to the Claims Process Order, FTI Consulting Canada Inc., in its capacity as Court-appointed Monitor of Coalspur Mines (Operations) Ltd. ("Coalspur" or the "Applicant"), hereby gives you notice that it has disallowed your Claims. Subject to further dispute by you in accordance with the Claims Process Order, your Claims will be disallowed as follows:

#### **Amount Allowed by Monitor:**

	<b>Proof of Claim Amount</b>	<b>Voting</b>	<b>Distribution</b>	<b>Allowed as Secured</b>	<b>Allowed as Unsecured</b>
Pre-filing Claim (Secured)	\$ 1,067,948.44	\$ -	\$ -	\$ Nil	\$ Nil
Pre-filing Claim (Unsecured)	\$ 986,000.00	\$ -	\$ -	\$ Nil	\$ Nil

#### **REASON(S) FOR THE DISALLOWANCE:**

The Monitor, in consultation with Coalspur, has reviewed your Proof of Claim, and based on the material filed, and the books and records of Coalspur, the Monitor has determined that both your secured and unsecured Claims are disallowed in their entirety.

The Monitor understands that the Claims are disputed by Coalspur and are the subject to ongoing litigation, including a substantial counterclaim by Coalspur against you in Court File No. 2001-05044. Given the uncertainty of the resolution of the issues in that action, the Monitor has disallowed the Claims.

If you intend to dispute this Notice of Disallowance, you must **within ten (10) Business Days** after the date on which this Notice of Disallowance is deemed to be received under the Claims Process Order:

- 1) deliver a Notice of Dispute in the form enclosed to the Monitor and the Applicant;  
and
- 2) file and serve an application with the Court supported by an affidavit setting out the basis for the dispute, which application must be returnable within thirty (30) days, or such further or other date as the Court may direct or the Monitor, in consultation with the Applicant, may agree in writing

by prepaid registered mail, personal delivery, courier, facsimile, or electronic mail to the addresses below:

**To the Monitor:**

**FTI Consulting Canada Inc.**

In its capacity as the court appointed Monitor  
of Coalspur Mines (Operations) Ltd.

Attention: Hailey Liu

Suite 1610, 520 5th Avenue S.W.

Calgary, AB T2P 3R7

Email: [Hailey.Liu@fticonsulting.com](mailto:Hailey.Liu@fticonsulting.com)

Phone: 403.454.6040

Facsimile: 403.232.6116

**To the Applicant:**

**Osler, Hoskin & Harcourt LLP**

Attention: Elena Pratt

Brookfield Place, Suite 2700

225 6 Ave SW

Calgary, AB T2P 1N2

Email: [epratt@osler.com](mailto:epratt@osler.com)

Phone: 403.260.7000

Facsimile: 403.260.7024

**IF YOU FAIL TO FILE YOUR DISPUTE NOTICE WITHIN TEN (10) BUSINESS DAYS OF THE DATE YOU RECEIVED (OR ARE DEEMED TO HAVE RECEIVED) THIS NOTICE OF DISALLOWANCE, THE VALUE OF YOUR CLAIM WILL BE DEEMED TO BE ACCEPTED AS FINAL AND BINDING AS SET OUT IN THIS NOTICE OF DISALLOWANCE.**

DATED this 8 day of October, 2021.

**DISPUTE NOTICE**

**Regarding Claims Against Coalspur Mines (Operations) Ltd.  
and/or its Directors or Officers**

Claim Reference Number \_\_\_\_\_

Particulars of Creditor:

***Full Legal Name of Creditor (include trade name, if different):***

\_\_\_\_\_  
\_\_\_\_\_

*(the "Creditor").*

***Full Mailing Address of the Creditor:***

\_\_\_\_\_  
\_\_\_\_\_

***Other Contact Information of the Creditor:***

Telephone Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

Facsimile Number: \_\_\_\_\_

Attention (Contact Person): \_\_\_\_\_

Dispute of Disallowance of Claim for Voting and/or Distribution Purposes:

The Creditor hereby disagrees with the value and/or classification of its Claim as set out in the Notice of Disallowance and asserts a Claim as follows:

	Amount Allowed by Monitor for:			Amount claimed by Creditor:	
	Voting	Distribution		Voting	Distribution
Pre-Filing Claim	\$ _____	\$ _____	Pre-Filing Claim	\$ _____	\$ _____
Subsequent Claim	\$ _____	\$ _____	Subsequent Claim	\$ _____	\$ _____
Director and/or Officer Claim	\$ _____	\$ _____	Director and/or Officer Claim	\$ _____	\$ _____

Date of Notice of Disallowance: \_\_\_\_\_

**REASONS FOR THE DISPUTE:**

*You must include a list of reasons as to why you are disputing your Claim(s) as set out in the Notice of Disallowance. Please continue on additional pages if required. Please note you are required to attach to this Dispute Notice all relevant supporting documentation on which you rely in support of your Claim(s).*

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**SERVICE OF DISPUTE NOTICES**

If you intend to dispute a Notice of Disallowance, you must **within ten (10) Business Days** after the date on which the Notice of Disallowance is deemed to be received under the Claims Process Order:

- 1) deliver this Notice of Dispute to the Monitor and the Applicant; and

- 2) file and serve an application with the Court supported by an affidavit setting out the basis for the dispute, which application must be returnable within thirty (30) days, or such further or other date as the Court may direct or the Monitor in consultation with the Applicant, may agree in writing,

by prepaid registered mail, personal delivery, courier, facsimile, or electronic mail to the addresses below:

**To the Monitor:**

**FTI Consulting Canada Inc.**

In its capacity as the court appointed Monitor of Coalspur Mines (Operations) Ltd.  
Attention: Hailey Liu  
Suite 1610, 520 5th Avenue S.W.  
Calgary, AB T2P 3R7  
Email: [Hailey.Liu@fticonsulting.com](mailto:Hailey.Liu@fticonsulting.com)  
Phone: 403.454.6040  
Facsimile: 403.232.6116

**To the Applicant:**

**Osler, Hoskin & Harcourt LLP**

Attention: Elena Pratt  
Brookfield Place, Suite 2700  
225 6 Ave SW  
Calgary, AB T2P 1N2  
Email: [epratt@osler.com](mailto:epratt@osler.com)  
Phone: 403.260.7000  
Facsimile: 403.260.7024

**IF YOU:**

- 1. FAIL TO DELIVER YOUR DISPUTE NOTICE; OR**
- 2. FAIL TO SERVE THE MONITOR AND THE APPLICANT WITH AN APPLICATION AND AFFIDAVIT;**

**WITHIN TEN (10) BUSINESS DAYS AFTER RECEIPT (OR DEEMED RECEIPT) OF THE NOTICE OF DISALLOWANCE, THE VALUE OF YOUR CLAIM FOR VOTING AND DISTRIBUTION PURPOSES WILL BE DEEMED TO BE AS SET OUT IN THE NOTICE OF DISALLOWANCE AND SUCH DETERMINATION WILL BE FINAL AND BINDING IN ALL RESPECTS.**

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

Name of Creditor: \_\_\_\_\_

\_\_\_\_\_  
Witness

Per: \_\_\_\_\_

Name:  
Title:  
*(please print)*

This is **Exhibit "B"** referred to in the  
Affidavit of Andrew Larocque

Sworn before me this 22 day of October,  
2021



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A Commissioner for Oaths  
in and for the Province of Alberta

## NOTICE OF DISALLOWANCE

### Regarding Claims Against Coalspur Mines (Operations) Ltd. and/or its Directors or Officers

Claim Reference Number: Claim #90

To: Stillwater Supply Corp  
(Name of Creditor)

brian.davison@dlapiper.com  
G. Davison, Q.C. Piper (Canada) LLP; 1000, 250 - 2nd Street SW,  
Calgary, AB, T2P 0C1, Canada

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#### **Amount Allowed by Monitor:**

	<b>Proof of Claim Amount</b>	<b>Voting</b>	<b>Distribution</b>	<b>Allowed as Secured</b>	<b>Allowed as Unsecured</b>
Pre-filing Claim (Secured)	\$ 1,067,948.44	\$ -	\$ -	\$ Nil	\$ Nil
Pre-filing Claim (Unsecured)	\$ 986,000.00	\$ -	\$ -	\$ Nil	\$ Nil

#### **REASON(S) FOR THE DISALLOWANCE:**

The Monitor, in consultation with Coalspur, has reviewed your Proof of Claim, and based on the material filed, and the books and records of Coalspur, the Monitor has determined that both your secured and unsecured Claims are disallowed in their entirety.

The Monitor understands that the Claims are disputed by Coalspur and are the subject to ongoing litigation, including a substantial counterclaim by Coalspur against you in Court File No. 2001-05044. Given the uncertainty of the resolution of the issues in that action, the Monitor has disallowed the Claims.

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and
- 2) file and serve an application with the Court supported by an affidavit setting out the basis for the dispute, which application must be returnable within thirty (30) days, or such further or other date as the Court may direct or the Monitor, in consultation with the Applicant, may agree in writing

by prepaid registered mail, personal delivery, courier, facsimile, or electronic mail to the addresses below:

**To the Monitor:**

**FTI Consulting Canada Inc.**

In its capacity as the court appointed Monitor  
of Coalspur Mines (Operations) Ltd.

Attention: Hailey Liu

Suite 1610, 520 5th Avenue S.W.

Calgary, AB T2P 3R7

Email: [Hailey.Liu@fticonsulting.com](mailto:Hailey.Liu@fticonsulting.com)

Phone: 403.454.6040

Facsimile: 403.232.6116

**To the Applicant:**

**Osler, Hoskin & Harcourt LLP**

Attention: Elena Pratt

Brookfield Place, Suite 2700

225 6 Ave SW

Calgary, AB T2P 1N2

Email: [epratt@osler.com](mailto:epratt@osler.com)

Phone: 403.260.7000

Facsimile: 403.260.7024

**IF YOU FAIL TO FILE YOUR DISPUTE NOTICE WITHIN TEN (10) BUSINESS DAYS OF THE DATE YOU RECEIVED (OR ARE DEEMED TO HAVE RECEIVED) THIS NOTICE OF DISALLOWANCE, THE VALUE OF YOUR CLAIM WILL BE DEEMED TO BE ACCEPTED AS FINAL AND BINDING AS SET OUT IN THIS NOTICE OF DISALLOWANCE.**

DATED this   8   day of   October  , 2021.



**DISPUTE NOTICE**

**Regarding Claims Against Coalspur Mines (Operations) Ltd.  
and/or its Directors or Officers**

Claim Reference Number \_\_\_\_\_

Particulars of Creditor:

***Full Legal Name of Creditor (include trade name, if different):***

\_\_\_\_\_  
\_\_\_\_\_

*(the "Creditor").*

***Full Mailing Address of the Creditor:***

\_\_\_\_\_  
\_\_\_\_\_

***Other Contact Information of the Creditor:***

Telephone Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

Facsimile Number: \_\_\_\_\_

Attention (Contact Person): \_\_\_\_\_

Dispute of Disallowance of Claim for Voting and/or Distribution Purposes:

The Creditor hereby disagrees with the value and/or classification of its Claim as set out in the Notice of Disallowance and asserts a Claim as follows:

	Amount Allowed by Monitor for:			Amount claimed by Creditor:	
	Voting	Distribution		Voting	Distribution
Pre-Filing Claim	\$ _____	\$ _____	Pre-Filing Claim	\$ _____	\$ _____
Subsequent Claim	\$ _____	\$ _____	Subsequent Claim	\$ _____	\$ _____
Director and/or Officer Claim	\$ _____	\$ _____	Director and/or Officer Claim	\$ _____	\$ _____

Date of Notice of Disallowance: \_\_\_\_\_

**REASONS FOR THE DISPUTE:**

*You must include a list of reasons as to why you are disputing your Claim(s) as set out in the Notice of Disallowance. Please continue on additional pages if required. Please note you are required to attach to this Dispute Notice all relevant supporting documentation on which you rely in support of your Claim(s).*

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**SERVICE OF DISPUTE NOTICES**

If you intend to dispute a Notice of Disallowance, you must **within ten (10) Business Days** after the date on which the Notice of Disallowance is deemed to be received under the Claims Process Order:

- 1) deliver this Notice of Dispute to the Monitor and the Applicant; and

- 2) file and serve an application with the Court supported by an affidavit setting out the basis for the dispute, which application must be returnable within thirty (30) days, or such further or other date as the Court may direct or the Monitor in consultation with the Applicant, may agree in writing,

by prepaid registered mail, personal delivery, courier, facsimile, or electronic mail to the addresses below:

**To the Monitor:**

**FTI Consulting Canada Inc.**

In its capacity as the court appointed Monitor of Coalspur Mines (Operations) Ltd.  
Attention: Hailey Liu  
Suite 1610, 520 5th Avenue S.W.  
Calgary, AB T2P 3R7  
Email: [Hailey.Liu@fticonsulting.com](mailto:Hailey.Liu@fticonsulting.com)  
Phone: 403.454.6040  
Facsimile: 403.232.6116

**To the Applicant:**

**Osler, Hoskin & Harcourt LLP**

Attention: Elena Pratt  
Brookfield Place, Suite 2700  
225 6 Ave SW  
Calgary, AB T2P 1N2  
Email: [epratt@osler.com](mailto:epratt@osler.com)  
Phone: 403.260.7000  
Facsimile: 403.260.7024

**IF YOU:**

- 1. FAIL TO DELIVER YOUR DISPUTE NOTICE; OR**
- 2. FAIL TO SERVE THE MONITOR AND THE APPLICANT WITH AN APPLICATION AND AFFIDAVIT;**

**WITHIN TEN (10) BUSINESS DAYS AFTER RECEIPT (OR DEEMED RECEIPT) OF THE NOTICE OF DISALLOWANCE, THE VALUE OF YOUR CLAIM FOR VOTING AND DISTRIBUTION PURPOSES WILL BE DEEMED TO BE AS SET OUT IN THE NOTICE OF DISALLOWANCE AND SUCH DETERMINATION WILL BE FINAL AND BINDING IN ALL RESPECTS.**

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

Name of Creditor: \_\_\_\_\_

\_\_\_\_\_  
Witness

Per: \_\_\_\_\_

Name:  
Title:  
*(please print)*

This is **Exhibit "C"** referred to in the  
Affidavit of Andrew Larocque

Sworn before me this 22 day of October,  
2021



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A Commissioner for Oaths  
in and for the Province of Alberta

**To:** 'Brian Shirzad'[bshirzad@clinegrp.com]  
**From:** Andrew Larocque  
**Sent:** Mon 9/23/2019 6:14:33 PM  
**Subject:** Proposal - Vista Coal Mine  
[Vista Proposal.pdf](#)

Good afternoon...

Attached you will find our follow up proposal from our visit last week.

Thank you again for the opportunity to potentially work together.

Please let me know when a follow up conversation can be had to answer any questions you or your team may have.

*Andrew Larocque*  
President  
Nova Analytics Inc.  
Suite 1840,  
407-2<sup>nd</sup> Street SW,  
Canada Place,  
Calgary, AB  
T2P 2Y3  
Cell: 1-(306)-370-9022  
Email: [andrew@novainc.ca](mailto:andrew@novainc.ca)  
Website: [www.novainc.ca](http://www.novainc.ca)



*Confidentiality Notice: This communication and any accompanying document(s) are confidential and may be privileged. They are intended for the sole purpose of the addressee. If you have received this communication in error please immediately contact the sender by return e-mail or by phone and delete this email and all copies.*



**Prepared for: Brian Shirzad**



Stillwater USA LLC.  
Suite 1840  
407 2<sup>nd</sup> St SW  
Calgary Alberta  
T2P 2Y3

## **Project: Vista Coal Mine – Hinton Alberta, Canada**

Stillwater USA LLC. would first off like to thank you for the opportunity to present a proposal to aid in the dewatering of the underflow of your thickener tank. We believe strongly in supporting our customers with knowledgeable technicians that are ready at a moment's notice to help with any issues you may be having and supply top quality equipment to limit non productive time. We also have a full-service Lab that supports all products and services we provide.

### **Issues 1: Thickener underflow Dewatering**

The issue as we understand it, is the coal is being mined and ultimately processed in the prep plant and clay contamination is creating a bottleneck whereas the filter presses can not handle the throughput volume of underflow from the thickener tank.

**Proposal:** We mobilize 2 X 5200 size centrifuges for 3-5 days and do test runs of thickener underflow with different cuts from zero clay to the highest amount you will run. Our goal would be to quantify the amount at which we can supplement the filter presses currently in place. Once the testing phase is complete, we can analyze the data. Upon dewatering the underflow to your satisfaction, we can discuss scaling up to the size needed to make sure the mine can run at full capacity.



**Process/Solution:** We would tie into the 3-inch line coming off your 6-inch line that feeds your filter presses with thickener tank underflow. Thickener tank underflow would move down the 3-inch into our dual centrifuge set up. This will ensure that we have ZERO impact on your operation

Stillwater USA LLC.  
Suite 1840  
407 2<sup>nd</sup> St SW  
Calgary Alberta  
T2P 2Y3

and it can continue to run as per usual. The goal will be to get the solids as dry or dryer than the filter press (<25% water). The centrifuges will have flow meters which will allow us to know the throughput and the efficiency of the centrifuges in relation to the solids being deposited.

## Issue 2: Polymer Consumption

The issue as we understand it, is that the cost and the amount of polymer flocculant consumed onsite is higher than management would like to see. Currently polymer used is in liquid form and switching to granular polymer is in motion.

**Proposal:** Commission a feasibility study to build an onsite Polymer blending plant to hydrate granular polymer into liquid polymer, and maintain the current liquid injection infrastructure across the mine site. An on-site polymer blending site would reduce trucking costs by ~80% alone, and no new capital cost would be incurred. Upon completion of the study and cost savings quantified, we could discuss a commercially viable plan to your satisfaction.



**Process/Solution:** Mobilize our sister company Nova Analytics Inc. to gather samples at all polymer injection points. Bring these samples back to their commercial lab to bench test, and complete a report on their findings and recommend the most cost-effective granular polymer for that specific injection point. Once we know all the different types of polymer needed, we would then propose a compact blending plant that can handle the throughput needed. We could then discuss optimization of your polymer usage, polymer pricing, and fee for service blending

Stillwater USA LLC.  
Suite 1840  
407 2<sup>nd</sup> St SW  
Calgary Alberta  
T2P 2Y3



operation fully funded by Stillwater USA LLC. The existing liquid polymer injection infrastructure could remain as is.

### Issue 3: Filter Cake Moisture

The issue as described to us is, any precipitation makes the dewatered filter cake that is piled up upon leaving the filter presses difficult to move with the D8. This requires an excavator to load a haul truck to bring the filter cake to the waste pile as opposed to the D8 just pushing the material to the waste pile.



Proposal: While Nova Analytics Inc. is onsite, we would preform slump testing on your raw filter cake material, simulate precipitation and retest. Once we have the base line for these, we would blend in sawdust at different percentages and produce a report outlining the stackability of the filter cake material. Sawdust is a common and environmentally friendly way to solidify material such as this and drill cuttings in the oilfield before they are loaded and transported for disposal. Once completed we could then discuss a supply contract for the sawdust and a simple way to

Stillwater USA LLC.  
Suite 1840  
407 2<sup>nd</sup> St SW  
Calgary Alberta  
T2P 2Y3

blend the filter cake with the correct amount of sawdust to alleviate the need for more equipment than just the D8.

## **Logistics and Cost Summary:**

Mobilization of equipment could begin as soon as the go ahead is given, and would begin to arrive on site in 3-4 days. Personnel would arrive onsite 1 day early to make sure everyone is orientated.

The equipment under issue 1, will require a space of approximately 2 city buses. We would supply everything needed including a generator so that we have little to no impact on your operation.

Once samples are collected, they will be turned around quickly at our inhouse lab.

The cost of this pilot project as outlined in this proposal will be absorbed by Stillwater USA LLC. As we are very confident, we can make a significant impact on your operation in a positive way going forward.

## **Conclusion:**

Thank you again for the opportunity to propose the use of our services. Our mission is to create long term relationships with our clients by helping optimize and create cost effective operations. Safety and protecting the environment are of utmost importance to our employee's and management. Below you will find information on our safety program. We maintain a zero-loss time injury record and zero environmental releases.

Please reach out to myself with any questions or comments @ 306-370-9022 or [Andrew@novainc.ca](mailto:Andrew@novainc.ca)

Andrew Larocque



President

Stillwater USA LLC.  
Suite 1840  
407 2<sup>nd</sup> St SW  
Calgary Alberta  
T2P 2Y3

## Safety, Health, Environment and Quality

Stillwater USA LLC has a corporate commitment to a health and safety policy that protects our staff, our clients, the public, and the environment. We have a full-time Safety, Health, Environment and Quality (SHEQ) Manager, and an extensive Quality Management System based on ISO/IEC 17025 which includes our SHEQ Policy, Health and Safety Manual, and Standard Operating Procedures and Work Instructions. All staff are required to read, understand, and follow applicable training documentation. We implement the “Take Two” safety philosophy and stop work immediately if there is a hazard or insufficient information. New employees also receive one-on-one training with an experienced staff member until they are determined to be competent (with sign-off authority).

Stillwater USA LLC. have personnel trained in First Aid, CPR-AED, GHS (WHMIS), TDG, Confined Space, H2S Alive, and other site, and skill-specific training/orientations.

Key features of our safety program include, but are not limited to:

- Completing a field level risk and hazard assessment and use of job task evaluation form prior to starting a new job/task (and again if conditions change).
- Tailgate meetings.
- Routine inspections for vehicle, equipment, and facilities.
- Driver training and work instructions for operation of vehicles.
- Emergency response plans and completion of emergency drills.
- Fire protection plans.
- Participation in monthly safety meetings.
- Preventative maintenance program.
- New/young worker orientation and training with sign-off.
- Routine drug and alcohol testing.
- Incident reporting and investigation, and corrective action plans.
- Planned management system audits.



Stillwater USA LLC field technicians utilize personal 4-way monitors, and the Loner® M6 (Blackline Safety Corp.) lone worker monitoring device **at all times** when in the field. This GPS-assisted device monitors the safety of workers in the field, inside facilities, in between sites and while driving. The device includes a combination of automatic and manually triggered safety features that initiate the emergency response process, two-way calling, timed check-in notifications, man-down and fall-detection alarms, among other important features.

Stillwater USA LLC will follow ***Bighorn Mining LTD*** Health & Safety Program, or our own, whichever is more stringent, while on-site conducting any work.

Stillwater USA LLC.  
Suite 1840  
407 2<sup>nd</sup> St SW  
Calgary Alberta  
T2P 2Y3

This is **Exhibit "D"** referred to in the  
Affidavit of Andrew Larocque

Sworn before me this 22 day of October,  
2021



---

A Commissioner for Oaths  
in and for the Province of Alberta

**To:** Brian Shirzad[bshirzad@clinegrp.com]  
**From:** Andrew Larocque  
**Sent:** Tue 10/15/2019 4:46:12 AM  
**Subject:** proposal  
[Vista Presentation end proposal.docx](#)

Hi Brian...

If you could offer your commentary, please red pen it. I am all ears on what you say.

thank you again.

I left out the discussion we had about a long term contract

I left out mob and demob cost which I would be fine eating on a longer term deal so if you think that should be in there I can put that.

I left out how long it will take to put together your package of equipment (3 weeks) I can also add that.

*Andrew Larocque*  
President  
Nova Analytics Inc.  
Suite 1840,  
407-2<sup>nd</sup> Street SW,  
Canada Place,  
Calgary, AB  
T2P 2Y3  
Cell: 1-(306)-370-9022  
Email: [andrew@novainc.ca](mailto:andrew@novainc.ca)  
Website: [www.novainc.ca](http://www.novainc.ca)



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**Prepared for: Brian Shirzad**



**Project: Vista Coal Mine – Hinton Alberta, Canada**

Stillwater USA LLC.  
Suite 1840  
407 2<sup>nd</sup> St SW  
Calgary Alberta  
T2P 2Y3

Stillwater USA LLC. would again like to thank you for the opportunity to present a proposal to aid in the dewatering of the underflow of your thickener tanks. We would also like to thank everyone involved in making our pilot a great success by making equipment available and providing technical information when it was needed. We believe strongly in supporting our customers with knowledgeable technicians that are ready at a moment's notice to help with any issues you may be having and supply top quality equipment to limit non productive time. We also have a full-service lab that supports all products and services we provide.

## Pilot Project Results

### Centrifuge: Solids Removal from Underflow



On October 3, 2019 Stillwater USA LLC. mobilized our equipment to the Bighorn Mining site to test the effectiveness of Centrifuges on the dewatering of underflow from the thickener tank. We believe the pilot was a great success.

We were able to reduce thickener underflow from 1.150 SG (Specific Gravity) to 1.050 SG at a flow of 1.8 m<sup>3</sup>/min (452 gallon/min). The moisture content of the solids were tested at our lab and ranged from 28-31%. Comparatively the moisture content of the refuse pile samples that were collected were 26.5-34%.

Cationic 80 charge polymer was added on day 2 of our testing. Polymer consumption was ~12L/hour once diluted. Due to the short duration of our pilot, optimal polymer

Stillwater USA LLC.  
Suite 1840  
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Calgary Alberta  
T2P 2Y3

usage was likely not achieved and we would suspect we could improve to ensure we keep the cost as low as possible.

### **Sawdust:**



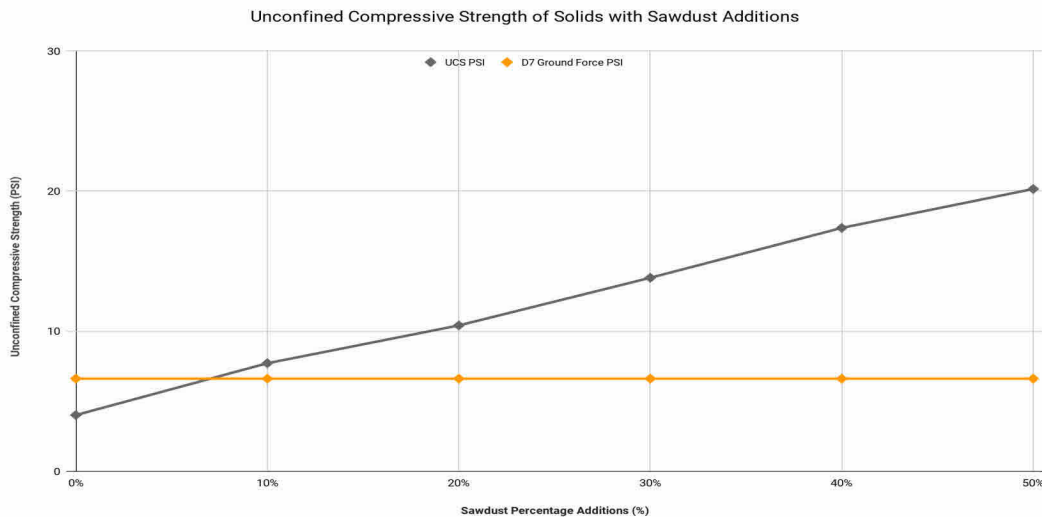
An end dump (20 m<sup>3</sup>) of sawdust was purchased to demonstrate it's effectiveness in absorption of moisture and its usefulness in creating an end product that is cohesive enough to be driven on top of and moved with a D7 Cat dozer, all while reducing the need for or eliminating the use of additional haul trucks and large excavators on the refuse pile.

Once we had a large pile of solids that included everything from the moment, we started the centrifuge (soup consistency) to the moment we were optimized (Dry Oatmeal), we blended an approximate ratio of 1:3 sawdust to solids. We then had the D7 drive over the blended pile, and to our delight and expectation it was able to physically climb the pile at a ~ 20 Degree angle without displacing any material. Something to note is that this pile did not have any coarse refuse which will further help in creating a more stable end product.

In the lab we conducted a benchtop penetrometer test on samples ranging from 0-50% sawdust. The results are indicated in the chart below and show 20-30% sawdust substantially increasing the compressive strength of the refuse material.

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Calgary Alberta  
T2P 2Y3





## Conclusion – Proposal

After careful review of the data collected during the pilot, we are confident that with 8 Large bowl centrifuges we can strip 66% of the solids out of the underflow in a single pass, bringing it from 1.150 SG to 1.050 SG as mentioned above.

What we would propose is that our units are placed downstream of the thickener tanks and upstream of the filter press building. Untouched underflow would enter our centrifuges at 1.150 SG and centrate would go to 4 tanks that are equalized and feed pumps that will move the now 1.050 SG material to the filter press building. The filter presses themselves would then need to cycle ~1/3 of the amount of times, greatly increasing the filter press buildings throughput and runtime. The residual/unsaturated polymer still entrained in the centrate material entering the filter press building will likely lead to a very low, if any polymer needing to be introduced thus saving a substantial cost.

In the Appendix you will find a proposed lay out of what our dewatering system would look like and include:

## Financials -Cost of Service:

Stillwater USA LLC.  
Suite 1840  
407 2<sup>nd</sup> St SW  
Calgary Alberta  
T2P 2Y3

At Stillwater USA LLC. we believe in partnering with our clients. What this means is that we want to make money when your making money and not be a cost burden if the plant is down for example. To simplify this, we would tie our cost to your production.

Example 1:

1400 ton/h clean coal X 24 hours = 33600 ton

33600 ton X \$1.15/ton = \$38,640

Example 2:

1400 ton/h clean coal X 20 hours (4 hours downtime) = 28000 ton

28000 ton X \$1.15/ton = \$32,200

### **Savings of \$6,440**

The only thing we would ask is that we could establish a mutually agreed upon minimum day rate to cover costs. The total cost of our services includes all equipment (>\$8 Million), maintenance, man power (3 men per shift), crew truck, skid steer, and the sawdust required to make sure the material we put onto the belt can easily be driven on by your D7 dozers.

At the time of writing this proposal we were made aware there is no power source for our equipment on site and we are currently exploring our options. Natural gas power generator (1250KW) is the best option we see and will report back with our findings as soon as possible.

Thank you again for the opportunity to propose what we feel is a great option for your thickener tank dewatering.

Please reach out to me at 306-370-9022 or [Andrew@novainc.ca](mailto:Andrew@novainc.ca)

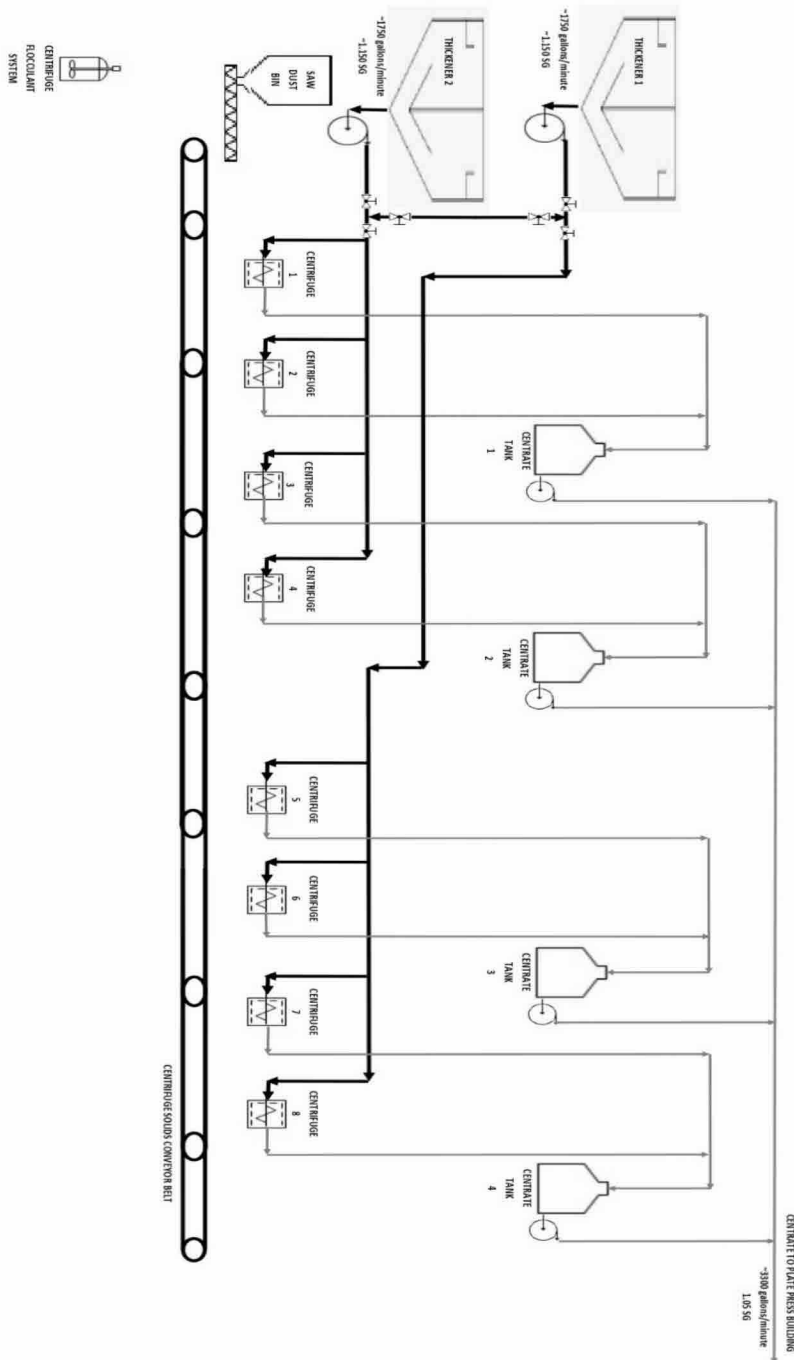
Andrew Larocque

President

Stillwater USA LLC.  
Suite 1840  
407 2<sup>nd</sup> St SW  
Calgary Alberta  
T2P 2Y3

## APPENDIX

Stillwater USA LLC.  
Suite 1840  
407 2<sup>nd</sup> St SW  
Calgary Alberta  
T2P 2Y3



## Safety, Health, Environment and Quality

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T2P 2Y3

receive one-on-one training with an experienced staff member until they are determined to be competent (with sign-off authority).

Stillwater USA LLC. have personnel trained in First Aid, CPR-AED, GHS (WHMIS), TDG, Confined Space, H2S Alive, and other site, and skill-specific training/orientations.

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- Completing a field level risk and hazard assessment and use of job task evaluation form prior to starting a new job/task (and again if conditions change).
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- Emergency response plans and completion of emergency drills.
- Fire protection plans.
- Participation in monthly safety meetings.
- Preventative maintenance program.
- New/young worker orientation and training with sign-off.
- Routine drug and alcohol testing.
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Stillwater USA LLC. will follow **Bighorn Mining LTD** Health & Safety Program, or our own, whichever is more stringent, while on-site conducting any work.

Stillwater USA LLC.  
Suite 1840  
407 2<sup>nd</sup> St SW  
Calgary Alberta  
T2P 2Y3

This is **Exhibit "E"** referred to in the  
Affidavit of Andrew Larocque

Sworn before me this 22 day of October,  
2021



---

A Commissioner for Oaths  
in and for the Province of Alberta

**To:** Andrew Larocque[andrew@novainc.ca]  
**From:** Brian Shirzad  
**Sent:** Sat 10/19/2019 2:54:52 PM  
**Subject:** Tuesday Agenda

To make things more productive, I'd plan on discussing the following:

- Assumptions you've based proposal off of (thickener flow, etc.)
- Power supply and requirements
- Chemical supply
- Expected/guaranteed equipment availability
- Spec/out of spec requirements and expectations
- Integration
- Timetable (dayrate, longterm cost differences, mobilization timetable/can we expedite)
- Sawdust in refuse
- Possible new system design to recirculate effluent back into thickener (Will explain more thoroughly Tuesday, but basically heavier load on centrifuges.)
- Cost per centrifuge, performance of each. If we wanted a dryer product could we add another and slow the speed? Inverse for wetter product?
- Appropriate billable cost/performance metric

Hope this is helpful,  
Brian

**To:** 'Brian Shirzad'[bshirzad@clinegrp.com]  
**Cc:** Bard Wells[bwells@clinegrp.com]; Tanner Cline[tcline@clinegrp.com]  
**From:** Andrew Larocque  
**Sent:** Thur 10/24/2019 12:34:38 AM  
**Subject:** RE: Follow Up

Hi Andrew,

Thanks for coming by yesterday. To follow-up, could you please provide: Thank you for the Opportunity.

Bard: Sent sample to my lab for particle distribution test and will report back on the particle sizes we have in our concentrate.

-new cost structure (day rate with throughput costs)

I banged my head against my desk all day trying to figure out the best way to quantify our costs based on our performance. When I was in the meeting it seemed so simple with the Micro motion Coriolis coming into our facility and one leaving but as I thought through it, concerns arose.

1. Capital cost on a 6in micro motion will be >100K
2. Quantity of fluid coming in vs leaving will be different because some water will be lost in the solids, resulting in an inaccurate balance.
3. When we add our water/polymer blend at 1.030SG, to the centrifuge, that will skew the SG leaving the facility and I would be showing you a number that was better than it actually was.

Here is what we propose:

The proposal had assumptions in place that we receive 1.150SG and we give you back 1.050 at 14m<sup>3</sup>/min(3500gal)(Verifiable by your inline densitometer/flow meter). What we were thinking is that this could be the pricing without you injecting any more capital into improving our performance.

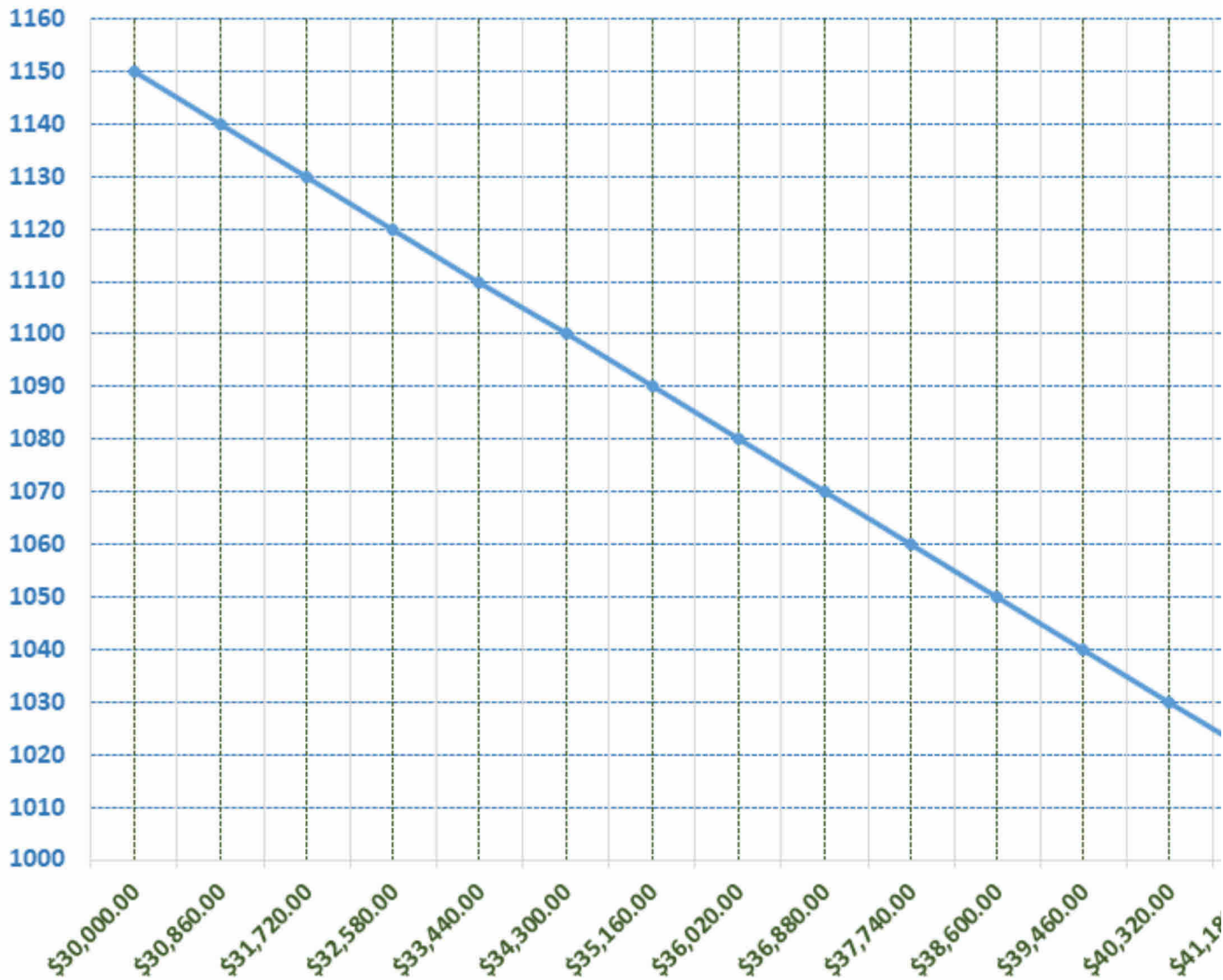
When we hit our 1.050 at 14m<sup>3</sup>/min(3500gal) target we receive our \$38,600/day, if we do better we are rewarded. If we don't then we are penalized.

The SG would be taken every hour and added to a daily report that would average them for the 24hr day and spit out the price. This daily report would report the throughput of our operation and general information from the day including any downtime, Etc, Etc.

Hopefully this is something that could be mutually agreed upon.



## Denisty of Flow Back vs Cost Per Day



-Estimated Floc usage (can be a range) During the Pilot we were consuming 8L/min of diluted 5:1 product. So we were using Approx. 2L/min of concentrate. Scaled up to 8 centrifuges would be 16L/min. Ideally we will use the least amount possible and we believe we can dilute much further.

-Equipment/manpower breakdown. I think it might be beneficial for us to understand your commitments. Are these solid bowls on another site, or are you buying/leasing? Do you have the crew already or are you hiring? Below is all the equipment we will need fulfill our commitments:

- 8 Centrifuges
- Shipping container with all parts needed
- Conveyor system to get material onto your refuse belt
- 3 Loads per day of sawdust

Conveyor system to get sawdust onto the belt  
Skid steer  
Crew Truck  
4 Tanks  
4 Pumps  
All manifold systems to connect to your underflow line.  
All maintenance  
Office Trailer (Eventually)

We like to under promise and over deliver on everything we do so we will be bringing another 2 centrifuges, at our cost, that will work in tandem to potentially prove we can get the weight of the underflow to sub 1.020SG. We would reserve the right to remove these and reallocate them to other projects we currently have as long as we are meeting our commitment of 14m<sup>3</sup>/min @ 1.050SG.

We will be leasing to buy this equipment and that comes with inherent risk as we will be committed to a longer term than the 6 month term proposed. With that being said, after we prove our worth after the first 3-4 weeks, we would entertain renegotiating the contract for a longer term, possibly 2-3 years or longer at a long term contract discount of >+10%. There will also be mob/demob costs we would be happy to absorb on a long term deal.

Man power will be 3-4 men per shift to get started and once we are dialed in will be 3 men per 12 hr shift. As of right now I have a project at a Frac sand mine wrapping up Nov 15 so we would bring the men over from that project. Our men are paid well and work very hard. Top quality men and equipment are key to the success of this project.

I have arranged for a tour at a facility in Tuliby Lake that currently mixes off solids with sawdust for a demonstration of its ability to make a strong base with high compactability. If anyone in your organization would care to visit this facility please let me know.

Natural Gas Generator Cost: ~\$3000/day and \$11900/month maintenance = ~\$4000 at our cost. +  
mob/demob  
Diesel Backup standby Generator Cost: \$1200/day +mob/demob

One last thing...I will rework the proposal to a Version two with some additions and this cost structure.

Thank you again and pardon the delay.

Andrew

Thanks,  
Brian

**To:** Andrew Larocque[andrew@novainc.ca]  
**Cc:** Bard Wells[bwells@clinegrp.com]  
**From:** Brian Shirzad  
**Sent:** Sat 11/2/2019 1:32:53 AM  
**Subject:** New Cost Structure

Hi Andrew,

We've been giving this a lot of thought, and believe it would be the best to do a flat day rate. To clarify, that means everyday you are on site, you would receive \$24,000 regardless of the condition of the plant. We hope this will give you some flexibility to dial-in the system, and provide the best service and/or experimentation required. That being said, we propose a 3 month "trial" with a few performance stipulations that could trigger a termination:

- Centrifuge Effluent must be below 1.050SG
- Centrifuge Moisture must not exceed 32%
- Refuse pile must be workable by a D7 i.e move and push
- 97% equipment availability excluding Coalspur planned maintenance schedules. These may not overlap due to positioning of system in material flow.

If this is acceptable, could you please draft a 2-3 page proposal that addresses:  
(these can be bullets)

**Price-** proposed \$2,160,000

**Included Items** – Materials, personnel, chemicals

**Not Included Items** – i.e power

**Schedule** – Mobilization time, Commissioning period, Production Time (90 days)

**Stipulations** – Ours and yours if any

**Additional Notes** – I.e if you are still willing to source power supply at cost

**Applicable Taxes** -(Included or not included)

**Commercial Terms** – Payment terms, etc.

We look forward to hearing your thoughts and keeping this moving forward.

Bard-please correct me if I missed anything or got something wrong.

Thanks,  
Brian

**Cc:** Bard Wells[bwells@clinegrp.com]  
**To:** Brian Shirzad[bshirzad@clinegrp.com]  
**From:** Andrew Larocque  
**Sent:** Sat 11/2/2019 1:52:21 AM  
**Subject:** Re: New Cost Structure

Thank you both we accept and will do up a 2-3 pager for you. We will not be happy until you only need a couple dozers on the pile and clean water leaving our centrifuges.  
Thank you again you will see it tomorrow.

Andrew Larocque  
306-370-9022

On Nov 1, 2019, at 7:32 PM, Brian Shirzad <bshirzad@clinegrp.com> wrote:

?

Hi Andrew,

We've been giving this a lot of thought, and believe it would be the best to do a flat day rate. To clarify, that means everyday you are on site, you would receive \$24,000 regardless of the condition of the plant. We hope this will give you some flexibility to dial-in the system, and provide the best service and/or experimentation required. That being said, we propose a 3 month "trial" with a few performance stipulations that could trigger a termination:

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**Stipulations** – Ours and yours if any

**Additional Notes** – I.e if you are still willing to source power supply at cost

**Applicable Taxes** -(Included or not included)

**Commercial Terms** – Payment terms, etc.

We look forward to hearing your thoughts and keeping this moving forward.

Bard-please correct me if I missed anything or got something wrong.

Thanks,  
Brian

This is **Exhibit "F"** referred to in the  
Affidavit of Andrew Larocque

Sworn before me this 22 day of October,  
2021



---

A Commissioner for Oaths  
in and for the Province of Alberta

**To:** Andrew Larocque[andrew@novainc.ca]  
**From:** Brian Shirzad  
**Sent:** Sat 11/2/2019 9:07:22 PM  
**Subject:** RE: Please review and comment  
[Vista Proposal V3 redline.docx](#)

Minor tweaks with attached. I cannot speak to commercial terms and contractual requests i.e noncompetes so that's the adjustment in the first paragraph. I also think the following will need to be included (most will fall under included or not included)

Lighting/Light Plants  
Groundwork/Site Prep  
Snow Removal  
First Aid  
Washroom Facilities/Outhouses  
Fuel  
Holidays if applicable

Specify taxes. GST? PST?  
Currency  
Quote Expiration

Instead of a daily schedule, this could be acceptable as well:

X day mobilization  
X day commissioning  
90 day operational period  
X day demobilization

Hope this helps,  
Brian

---

**From:** Andrew Larocque <andrew@novainc.ca>  
**Sent:** November 2, 2019 3:48 PM  
**To:** Brian Shirzad <bshirzad@clinegrp.com>  
**Subject:** Please review and comment

*Andrew Larocque*  
President  
Nova Analytics Inc.  
Suite 1840,  
407-2<sup>nd</sup> Street SW,  
Canada Place,  
Calgary, AB  
T2P 2Y3  
Cell: 1-(306)-370-9022  
Email: [andrew@novainc.ca](mailto:andrew@novainc.ca)  
Website: [www.novainc.ca](http://www.novainc.ca)



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**Prepared for: Brian Shirzad**

**November 2, 2019**



Stillwater USA LLC.  
Suite 1840  
407 2<sup>nd</sup> St SW  
Calgary Alberta  
T2P 2Y3



## Project: Vista Coal Mine – Hinton Alberta, Canada

Stillwater USA LLC. would again like to thank you for the opportunity to present a proposal to aid in the dewatering of the underflow of your thickener tanks. After many discussions back and forth between the Big Horn Mining group and Stillwater USA LLC, we propose the following:

### Project overview –

Stillwater USA LLC will supply and furnish equipment necessary (listed below) to accomplish the set forth required performance stipulations (listed below) for a period of 90 Calendar days at a price of \$24,000/day (\$2,160,000).

### Line items included:

- |                                |                              |
|--------------------------------|------------------------------|
| -4 Centrifuges                 | -Minimum 4-man crew          |
| -1.5 Loads of sawdust          | -Living allowance            |
| -Maintenance                   | -Daily detailed report       |
| -Skid steer                    | -Crew truck                  |
| -Tanks                         | -Pumps                       |
| -Hoses                         | -Manifolds                   |
| -Shipping container with parts | -Misc. this will get flagged |
| -Polymer we will consume       | -Conveyor system             |
| -Sawdust conveyor system       |                              |

### Line items *not* included:

- Primary Nat. Gas generator 1250KW (\$3000/day)
- Maintenance on generator (Fixed \$11,960/28 day cycle)
- Backup Diesel generator 800KW (Optional \$1000/day)
- Gas fitter to hook up Nat. Gas to generator
- Underflow line from plate press building tank to our manifold

Stillwater USA LLC.  
Suite 1840  
407 2<sup>nd</sup> St SW  
Calgary Alberta  
T2P 2Y3

- Mobilization and Demobilization of equipment (we will absorb this cost on a long-term contract)  
(Include price)
- Applicable taxes

### **Performance Stipulations:**

- Centrifuge centrte at 1.050 SG or lower (We will not be satisfied until we are below 1.020 SG and will be doing everything in our power including bringing supplemental equipment to help us achieve this)
- Centrifuge moisture not exceeding 32%
- Refuse pile must be workable (move and push) by D7 LGP
- NPT (Non productive time) under 3% excluding planned maintenance schedule

### **Proposed Schedule:**

- Sign contract
- Site visit to plan layout (Day 1)
- Prep pad for equipment (Day 2)
- Complete pad (Day 4)
- Begin installing underflow line (Day 5)
- Complete underflow line (Day 7)
- Mobilize genset and other equipment (Day 7)
- Nat. gas connection (Day 8)
- Begin assembling conveyor system (Day 9)
- Complete conveyor system (Day 12)
- Connect all manifolds and hoses (Day 15)

Note: This is an ideal time frame, and we would request another 6 days (21 total days) to be commissioned and ready to begin taking underflow into our system.

### **Requests:**

Stillwater USA LLC.  
Suite 1840  
407 2<sup>nd</sup> St SW  
Calgary Alberta  
T2P 2Y3

-We would request a “non-disclosure agreement” as well as a “no compete agreement” be signed, outlining that if we meet the stipulations set forth, we will be given first right of refusal to any future centrifuge system implementation pertaining to thickener underflow and refuse.

**Commercial Terms:**

-\$25,000/day + applicable tax 5% PST and GST? Please specify

-Invoice weekly (Monday-Sunday)

-Net 30 days

Thank you again, we are excited to show your team what we can do, and forge a long-term relationship.

Andrew Larocque

President

Stillwater USA LLC.  
Suite 1840  
407 2<sup>nd</sup> St SW  
Calgary Alberta  
T2P 2Y3

This is **Exhibit "G"** referred to in the  
Affidavit of Andrew Larocque

Sworn before me this 22 day of October,  
2021



---

A Commissioner for Oaths  
in and for the Province of Alberta

**To:** 'Brian Shirzad'[bshirzad@clinegrp.com]  
**From:** Andrew Larocque  
**Sent:** Sat 11/2/2019 10:18:17 PM  
**Subject:** RE: Please review and comment  
[Vista Proposal V3.pdf](#)

Hi Brian please find attached our proposal.

Thank you

Andrew



**Prepared for: Brian Shirzad**

**November 2, 2019**



Stillwater USA LLC.  
Suite 1840  
407 2<sup>nd</sup> St SW  
Calgary Alberta  
T2P 2Y3

## **Project: Vista Coal Mine – Hinton Alberta, Canada**

Stillwater USA LLC. would again like to thank you for the opportunity to present a proposal to aid in the dewatering of the underflow of your thickener tanks. After many discussions back and forth between the Big Horn Mining group and Stillwater USA LLC, we propose the following:

### **Project overview –**

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### **Line items included:**

- 4 Centrifuges
- 1.5 Loads of sawdust
- Maintenance
- Skid steer
- Tanks
- Hoses
- Shipping container with parts
- Polymer we will consume
- Sawdust conveyor system
- Snow removal
- First aid stations/safety equipment
- Minimum 4-man crew
- Living allowance
- Daily detailed report
- Crew truck
- Pumps
- Manifolds
- Tools
- Conveyor system
- Lighting
- Holidays (All)

Stillwater USA LLC.  
Suite 1840  
407 2<sup>nd</sup> St SW  
Calgary Alberta  
T2P 2Y3

**Line items *not* included:**

- Primary Nat. Gas generator 1250KW (\$3000/day)
- Maintenance on generator (Fixed \$11,960/28 day cycle)
- Backup Diesel generator 800KW (Optional \$1000/day)
- Gas fitter to hook up Nat. Gas to generator
- Underflow line from plate press building tank to our manifold
- Site prep.
- Mobilization and Demobilization of equipment at our cost (we will absorb this cost on a long-term contract) ( $\$215/\text{hr} \times 6 \text{ hr} = \$1290 \times \sim 14 \text{ loads} = \sim \$18060$  (Anything over this we will cover)
- Applicable taxes
- Diesel for pumps

**Performance Stipulations:**

- Centrifuge centrate at 1.050 SG or lower (We will not be satisfied until we are below 1.020 SG and will be doing everything in our power including bringing supplemental equipment to help us achieve this)
- Centrifuge moisture not exceeding 32%
- Refuse pile must be workable (move and push) by D7 LGP
- NPT (Non productive time) under 3% excluding planned maintenance schedule

**Proposed Schedule:**

- 21 day mobilization and commissioning
- 90 day operational period
- 2 day demobilization if needed
- 1 day clean up

Stillwater USA LLC.  
Suite 1840  
407 2<sup>nd</sup> St SW  
Calgary Alberta  
T2P 2Y3



## Requests:

-We would request a “non-disclosure agreement” as well as a “no compete agreement” be signed, outlining that if we meet the stipulations set forth, we will be given first right of refusal to any future centrifuge system implementation pertaining to thickener underflow and refuse.

## Commercial Terms:

-\$25,000/day CAD + applicable GST tax 5%

-Invoice weekly (Monday-Sunday)

-Net 30 days

Thank you again, we are excited to show your team what we can do, and forge a long-term relationship.

Andrew Larocque



President

Stillwater USA LLC.  
Suite 1840  
407 2<sup>nd</sup> St SW  
Calgary Alberta  
T2P 2Y3

**To:** Andrew Larocque[andrew@novainc.ca]  
**Cc:** Myron Jones[mjones@clinegrp.com]  
**From:** Brian Shirzad  
**Sent:** Mon 11/4/2019 3:19:13 PM  
**Subject:** FW: Please review and comment

Andrew,

Could we set up a call to discuss the following with Myron? Are you available today?

Thanks,  
Brian

---

**From:** Myron Jones <mjones@clinegrp.com>  
**Sent:** November 4, 2019 9:13 AM  
**To:** Brian Shirzad <bshirzad@clinegrp.com>  
**Subject:** RE: Please review and comment

Brian.....a few observations / questions:

- \$24,000 / day regardless of throughput? What if we don't run for a week or maintenance days?
- What if it takes more than 1.5 loads of sawdust?
- Four man crew per shift or total?
- It may be better if he also stated all necessary manpower, equipment and supplies to make XX tons / hour / day etc
- Should include something about safety and OHS regulations
- Need copies of insurance certificates
- Generator \$3000 / day.....getting a competitive price for comparison. Have we confirmed our ability to tap into our line from Tourmaline?
- Generator maintenance seems high
- Would like to see the performance stipulations clearer.....need words like "guaranteed specific gravity" and guaranteed production at a rate of XX tons / hour, guarantee moisture to not exceed 32%
- Need work schedule identified i.e. 2 x 12 hour shifts 7 days per week
- OK with NDA (pending language).....I never like non compete, competition is healthy. I would suggest if we like what he's doing, we'll enter into a longer contract. After that, he has to stay on his toes to stay in the game. If he's good, we won't change.

---

**From:** Andrew Larocque <[andrew@novainc.ca](mailto:andrew@novainc.ca)>  
**Sent:** November 2, 2019 6:18 PM  
**To:** Brian Shirzad <[bshirzad@clinegrp.com](mailto:bshirzad@clinegrp.com)>  
**Subject:** RE: Please review and comment

Hi Brian please find attached our proposal.

Thank you

Andrew

**To:** 'Brian Shirzad'[bshirzad@clinegrp.com]  
**Cc:** Myron Jones[mjones@clinegrp.com]  
**From:** Andrew Larocque  
**Sent:** Mon 11/4/2019 7:10:45 PM  
**Subject:** RE: Please review and comment

?Hi Myron, here are my comments and we can discuss further at 3pm.

Brian.....a few observations / questions:

- \$24,000 / day regardless of throughput? What if we don't run for a week or maintenance days? We had discussed all of these scenarios and this is what we came up with. We will incur costs whether we are processing underflow or on standby. We will actually be bringing 6 centrifuges to use for experimenting to make improvements over and above what we are promising we can do. Our goal is to have driest product and cleanest water.
- What if it takes more than 1.5 loads of sawdust? We have committed to make your end product manageable by the D7. 1.5 is the what we believe it will take. If it takes 2 or 2.5 then we will eat that cost and improve our system further to make sure we aren't paying for sawdust we didn't need.
- Four man crew per shift or total? 2 per shift is the minimum but will have 3 per shift until we are running perfectly. We are absorbing the extra men.
- It may be better if he also stated all necessary manpower, equipment and supplies to make XX tons / hour / day etc We have a few different matrix made up already we can implement if need be.
- Should include something about safety and OHS regulations Our original proposal had our safety program but was not included in this abbreviated version.
- Need copies of insurance certificates No Problem
- Generator \$3000 / day.....getting a competitive price for comparison. Have we confirmed our ability to tap into our line from Tourmaline? Brian?
- Generator maintenance seems high Yes it does but basically they make it seem like there 3000/day is low(Nat gas gens are quite a bit more expensive) and add a maintenance line instead of putting it all together. We are not making money on this so please if you find a better deal it's no problem for us. Our goal was to manage it and everything we can so we basically require nothing from your team except for underflow.
- Would like to see the performance stipulations clearer.....need words like "guaranteed specific gravity" and guaranteed production at a rate of XX tons / hour, guarantee moisture to not exceed 32% No problem we know we can do that.
- Need work schedule identified i.e. 2 x 12 hour shifts 7 days per week no problem
- OK with NDA (pending language).....I never like non-compete, competition is healthy. I would suggest if we like what he's doing, we'll enter into a longer contract. After that, he has to stay on his toes to stay in the game. If he's good, we won't change. I agree that competition is healthy. What we are trying to avoid is reinvesting some of our earnings on this to pilot different equipment to improve on the end product which for us is DRY product and CLEAN water, and then be shown the door and our techniques are used with another provider. All we would like to see is..."If Stillwater does the following things that constitute the good service and end product then we will continue to use them" something along those lines.

We can speak to these and any others at 3pm.

Thank you

---

**From:** Andrew Larocque <[andrew@novainc.ca](mailto:andrew@novainc.ca)>

**Sent:** November 2, 2019 6:18 PM

**To:** Brian Shirzad <[bshirzad@clinegrp.com](mailto:bshirzad@clinegrp.com)>

**Subject:** RE: Please review and comment

Hi Brian please find attached our proposal.

Thank you

Andrew

**To:** Andrew Larocque[andrew@novainc.ca]  
**From:** Myron Jones  
**Sent:** Fri 11/8/2019 1:05:44 PM  
**Subject:** RE: One more adjustment  
[Stillwater Proposal R8.pdf](#)  
[Stillwater Services Agreement 11-7-19 R2.pdf](#)

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**From:** Andrew Larocque <andrew@novainc.ca>  
**Sent:** Thursday, November 7, 2019 5:09 PM  
**To:** Myron Jones <mjones@clinegrp.com>  
**Subject:** RE: One more adjustment

Up to you but for us its assumed.

*Andrew Larocque*  
President  
Nova Analytics Inc.  
Suite 1840,  
407-2<sup>nd</sup> Street SW,  
Canada Place,  
Calgary, AB  
T2P 2Y3  
Cell: 1-(306)-370-9022  
Email: [andrew@novainc.ca](mailto:andrew@novainc.ca)  
Website: [www.novainc.ca](http://www.novainc.ca)



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**From:** Myron Jones [<mailto:mjones@clinegrp.com>]  
**Sent:** November 7, 2019 3:07 PM  
**To:** Andrew Larocque <[andrew@novainc.ca](mailto:andrew@novainc.ca)>  
**Subject:** One more adjustment

For the \$19,000 per maintenance day, should we clarify this means 12hrs of day shift and still operating the other 12hrs.

I'll send another version

 **Cutlass Collieries LLC | Myron Jones | VP Purchasing - Maintenance | 3801 PGA Blvd STE 903  
| Palm Beach Gardens FL 33410 | (C) 561-373-9687 |**

SSC000237





**Prepared for: Brian Shirzad**

**November 2, 2019**

Stillwater USA LLC.  
Suite 1840  
407 2<sup>nd</sup> St SW  
Calgary Alberta  
T2P 2Y3

## **Project: Coalspur Mines (Operations) Ltd – Hinton Alberta, Canada**

Stillwater USA LLC. would again like to thank you for the opportunity to present a proposal to aid in the dewatering of the underflow of your thickener tanks. After many discussions back and forth between the Big Horn Mining group and Stillwater USA LLC, we propose the following:

### **Project overview –**

Stillwater USA LLC will supply and furnish equipment necessary (listed below) to accomplish the set forth required performance stipulations (listed below) for a period of 90 consecutive Calendar days including any holidays, at a price not to exceed \$24,000 CAD per operational day (\$2,160,000). With 24 hours advance notice, standby / maintenance days are billed at \$19,000 CAD per day. Preparation Plant maintenance days are scheduled for one 12 hour shift. Stillwater will schedule work for the second 12 hour shift upon completion of maintenance / downtime event. Stillwater guarantees equipment to be in sufficient working order and sufficient manpower to work at 97% availability to include standby equipment or personnel.

### **Line items included:**

- |                                |                                 |
|--------------------------------|---------------------------------|
| -4 Centrifuges minimum         | -Minimum 4-man crew             |
| -1.5 Loads of sawdust minimum  | -2 man/12hr shift X 2 shifts    |
| -Living allowance              | -All Holidays will be scheduled |
| -Maintenance                   | -Daily detailed report          |
| -Skid steer                    | -Crew truck                     |
| -Tanks                         | -Pumps                          |
| -Hoses                         | -Manifolds                      |
| -Shipping container with parts | -Tools                          |
| -Polymer we will consume       | -Conveyor system                |
| -Sawdust conveyor system       | -Lighting                       |

Stillwater USA LLC.  
Suite 1840  
407 2<sup>nd</sup> St SW  
Calgary Alberta  
T2P 2Y3



-Snow removal

-First aid stations/safety equipment

**Line items *not* included:**

-Primary Nat. Gas generator 1250KW (\$3000 CAD / day)

-Maintenance on generator (Fixed \$11,960 CAD / 28 day cycle)

-Backup Diesel generator 800KW (Optional \$1000 CAD / day)

-Gas fitter to hook up Nat. Gas to generator

-Underflow line from plate press building tank to our manifold

-Site prep.

-Mobilization and Demobilization of equipment at our cost (we will absorb this cost on a long-term contract) (\$215 CAD / hr x 6 hr) = \$1290 CAD x ~14 loads = ~\$18060 CAD (Anything over this we will cover)

-Applicable taxes

-Diesel for pumps

**Performance Stipulations:**

-Stillwater guarantees centrifuge centrate will be 1.050 SG or lower (We will not be satisfied until we are below 1.020 SG and will be doing everything in our power including bringing supplemental equipment to help us achieve this)

-Stillwater guarantees adequate equipment, manpower and supplies to process 1650 gallons/min

-Stillwater guarantees centrifuge moisture will not exceed 32%

-Stillwater guarantees refuse pile will be normal stability standards and workable (move and push) by Cat D8 LGP dozer

-Stillwater guarantees NPT (Non-productive time) will be under 3% excluding planned maintenance schedule

Stillwater USA LLC.  
Suite 1840  
407 2<sup>nd</sup> St SW  
Calgary Alberta  
T2P 2Y3

-Stillwater USA LLC guarantee's our performance will exceed the Performance Stipulations listed above. Stillwater understands time is of essence and if necessary, Stillwater will furnish any additional equipment, manpower, and supplies necessary to meet all performance stipulations, at Stillwater's expense within 48 hours of deficiency notification by Coalspur.

### **Safety and insurance:**

At Stillwater USA LLC., we take safety very seriously and it is priority number 1. We strive for an incident and injury free work place on all our sites. This is accomplished by holding our workers and equipment to the most stringent standards including the following;

- Highly regulated and inspected, tested equipment.
- Zero tolerance work sites for Drug and Alcohol, discrimination and harassment.
- Compliance with industry standards including ISNetworld, Comply Works and CALA
- Mentorship program for new workers and short service workers.
- Regular, ongoing performance monitoring and upgrading of training.
- Working alone policy and journey management system.
- Continuous improvement inspections program.

We create a culture at Stillwater of compliance, transparency and open communication in all areas of our operations. Safety is at the forefront of all daily activities and tasks. Regular safety meetings and pre-task hazard assessments are conducted as we know that conditions change and there is never a "one size fits all" method that applies to a growing, innovative and challenging industry.

At the end of the day, we want all our workers to make it home safe to their families and enjoy the benefits of their hard work and dedication.

Stillwater will follow all safety regulations required by all Federal and Provincial Agencies and Big Horn Mining.

Insurance required as set forth in the MSA in place for the duration of the project.

### **Proposed Schedule:**

-21 day mobilization and commissioning

-90 day operational period

-2 day demobilization if needed

-1 day clean up

Stillwater USA LLC.  
Suite 1840  
407 2<sup>nd</sup> St SW  
Calgary Alberta  
T2P 2Y3

**Commercial Terms:**

- \$24,000/day CAD + applicable GST tax 5%

- Invoice weekly (Monday-Sunday)

- Net 30 days

Thank you again, we are excited to show your team what we can do and forge a long-term relationship.

Andrew Larocque

President

Stillwater USA LLC.  
Suite 1840  
407 2<sup>nd</sup> St SW  
Calgary Alberta  
T2P 2Y3

**SERVICES AGREEMENT BETWEEN  
COALSPUR MINES (OPERATIONS) LTD. AND STILLWATER USA LLC**

This Services Agreement (the “Agreement”) is made and entered into on the 5th day of November, 2019 (“Effective Date”) by and between Coalspur Mines (Operations) Ltd., (hereinafter referred to as the “Company”), and Stillwater Supply Corp. (hereinafter referred to as the “Contractor”).

WHEREAS, Company requires an independent contractor having the expertise necessary for the dewatering of the underflow of the thickener tanks at Company’s Vista Mine operations in Hinton, Alberta, Canada, as described more particularly herein (the “Refuse Centrifuge Project”), and

WHEREAS, Contractor has the necessary expertise to provide the services to Company that are required for the Refuse Centrifuge Project, and desires to provide such services to Company; and

WHEREAS, Company and Contractor desire to enter into this Agreement to govern the terms pursuant to which Contractor will provide services as required for the Refuse Centrifuge Project.

NOW, THEREFORE, for and in consideration of the premises and the mutual promises, covenants and agreements hereinafter set forth Company and Contractor agree as follows:

1. Services, Materials and Supplies: Contractor shall provide the Labor and Equipment, as defined below, necessary to achieve the Performance Criteria, as defined below, for the Refuse Centrifuge Project, for a period of ninety (90) consecutive calendar days (including all weekends and any holidays). The term “Labor and Equipment” shall mean all of the following items:
  - A minimum of four (4) centrifuges
  - A minimum of 1.5 loads of sawdust
  - Living allowance
  - Maintenance
  - Skid steer
  - Tanks
  - Hoses
  - Shipping container with parts
  - Polymer we will consume
  - Sawdust conveyer system
  - Snow removal
  - Minimum 4-man crew
    - -2 man/12 hr. shift x 2 shifts
    - All holidays will be scheduled
  - Daily detailed report
  - Crew truck
  - Pumps

- Manifolds
- Tools
- Conveyor system
- Lighting
- First aid stations/safety equipment

In addition to the Labor and Equipment listed above, all of which shall be included in the Contract Price, Contractor shall provide the following items for the charges specified beside each such item below, all of which shall be referred to collectively herein as the “Additional Labor and Equipment”:

- Primary Nat. Gas generator 1250KW (\$3000/day CAD)
- Maintenance on generator (Fixed \$11,960/28 day cycle CAD)
- Backup Diesel generator 800KW (Optional \$1000/day CAD)
- Gas fitter to hook up Nat. Gas to generator
- Underflow line from plate press building tank to our manifold
- Site prep.
- Mobilization and demobilization of equipment at our cost ( $\$215/\text{hr.} \times 6 \text{ hr} = \$1290 \times \sim 14 \text{ loads} = \sim \$18060$  (Anything over this we will cover)
- Applicable taxes
- Diesel for pumps

Where no charges are designated for any item of Additional Labor and Equipment set forth above, Contractor shall provide such item(s) for its actual cost, which actual cost shall be documented by receipts and/or invoices. All “Labor and Equipment” provided by Contractor for the Refuse Centrifuge Project shall be referred to herein as the “Services”.

2. Time and Performance Criteria: Contractor shall commence the Services on a date after the Effective Date of this Agreement that is mutually agreed upon by Company and Contractor (the “Start-Up Date”), and shall complete the Services pursuant to the following time frame:

- Mobilization and Commissioning: to be completed 21 calendar days after the Start-Up Date;
- Operational Period: to commence the first calendar day after completion of Mobilization and Commissioning and continue for a period of ninety (90) consecutive calendar days thereafter;
- Demobilization: to commence the first calendar day after the completion of the Operational Period and to continue for a period of two calendar days thereafter, if necessary;
- Cleanup: to commence the first calendar day after the completion of Demobilization and to continue for a period of one (1) calendar day.

Contractor shall provide all Services necessary to achieve the following performance criteria (collectively referred to herein as the “Performance Criteria”) with respect to the

Refuse Centrifuge Project for a period of ninety (90) consecutive days (including all weekend days and any holidays) (the "Performance Period"):

- Contractor guarantees centrifuge centrante will be 1.050 SG or lower at all times during the Performance Period, and will work diligently during the Performance Period to achieve a centrifuge centrante below 1.020 SG, including by bringing in supplemental equipment at Contractor's sole cost and expense
- Contractor guarantees adequate equipment, manpower and supplies to process 1650 gallons/min during the Performance Period
- Contractor guarantees centrifuge moisture will not exceed 32% during the Performance Period
- Contractor guarantees refuse pile will be maintained at normal stability standards and will be workable (move and push) by Cat D8 LGP dozer
- Contractor guarantees all equipment to be in sufficient working order and to supply sufficient manpower to work at 97% availability to include standby equipment or personnel -- NPT (non-productive time) will be under 3% excluding planned maintenance

Contractor guarantees its performance will exceed the Performance Criteria listed above. Contractor understands time is of the essence for purposes of its achievement of the Performance Criteria, and agrees that if necessary, Contractor will furnish any additional equipment, manpower, and supplies necessary to meet all Performance Criteria, at Contractor's sole cost and expense, within forty-eight hours of its receipt of any deficiency notice from Company. An email from Company to Contractor shall suffice for purposes of serving Company with a deficiency notice.

3. Clean Up: Upon completion of the work which shall be to the satisfaction of a representative of the Company, Contractor will clean up the premises in accordance with the schedule set forth above and place any excess or unused material at points or places as designated or under the direction of a representative of the Company.
4. Amount and Time of Payment: Contractor will provide all Labor and Equipment required to perform the Services at a price not to exceed \$24,000 CAD per operational day plus applicable GST tax at 5% or \$2,160,000 CAD in the aggregate (the "Contract Price"). With 24 hours advance notice, Contractor will bill standby/maintenance days at \$19,000 CAD per day. Preparation Plant maintenance days are scheduled for one 12 hour shift. Stillwater will schedule work for the second 12 hour shift upon completion of maintenance / downtime event. Contractor will provide all Additional Labor and Equipment at the price designated for such Additional Labor and Equipment in Paragraph 1, above. Contractor shall invoice on a weekly basis (Monday – Sunday), and all invoices shall be payable on a net thirty (30) days basis. Prior to payment, the Company may require Contractor to provide adequate proof that satisfactory provision has been made for the payment of any and all claims for damages, labor, materials, or supplies which Contractor may have incurred or become liable by reason of its performance of the Services.

5. Books and Records. Contractor shall keep detailed books and records relating to all project work performed and such books and records shall upon request at reasonable times be made available for a period of two (2) years after completion of the project work, for inspection or audit by a representative of the Company.
  
6. Amount and Types of Insurance: Without limiting Contractor's undertaking to protect, indemnify, defend and hold harmless Company and the Indemnified Parties as set forth in this Agreement, Contractor shall procure and maintain, at the cost of Contractor, the following insurance coverages with insurance carrier(s) that are acceptable to Company in Company's sole discretion during the term of this Agreement and all other times during which Contractor, its employees, agents or subcontractors shall be present at the Mine premises, whether performing or correcting any of the work. Before commencing any work under this Agreement, Contractor shall furnish Company with certificates of insurance and/or certified copies of the required insurance policies together with all applicable endorsements attested by a duly authorized representative of the insurance carrier(s) evidencing that the insurance required hereunder is in force and effect and that such insurance will not be reduced, cancelled or materially changed without giving Company at least thirty (30) days prior written notice:
  - (a) Employee Injury Coverage. Contractor shall carry Employer's Liability insurance covering all operations and work hereunder in an amount not less than Five Million Dollars (\$5,000,000) per occurrence or such other reasonable amount as Company may require during the term of this Agreement. All such Employer's Liability insurance and associated insurance policy(ies) shall expressly provide that all rights of subrogation against Company are waived.
  
  - (b) Public Liability. Commercial General Liability ("CGL") insurance (including premises liability, blanket contractual liability, independent contractor liability, explosion, and products/ completed operations coverage) against damage because of bodily injury, including death, or damage to property of others, such insurance to afford protection to the limit of not less than Five Million Dollars (\$5,000,000) Combined Single Limit per occurrence and not in the aggregate for property damage, personal injury, and bodily injuries, including death. To the extent that Contractor has concurrent obligations or work to be performed at locations other than the project worksite described herein, Contractor's CGL insurer shall endorse its policy(ies) to provide that the required Five Million Dollars (\$5,000,000) aggregate limit set forth above shall apply separately to each location where work is performed by Contractor. This coverage shall include, but not be limited to, provisions for:
    - (A) Premises – operations;
  
    - (B) Blanket broad form contractual – specifically coverage the indemnity obligations set forth in this Agreement;
  
    - (C) Blanket broad form property damage;

- (D) Independent contractors;
  - (E) Personal injury;
  - (F) Company named as Additional Insured;
  - (G) Blanket broad form cross liability endorsement;
  - (H) Products and completed operations;
  - (I) Where exposure exists, explosion, collapse, and underground (XCU) hazard exclusions must be deleted; and
  - (J) Waiver by insurer of all payment obligations of Company for payment of premiums, audits, deductibles, retro-adjustments or any other payment obligation due to the insurer by Contractor.
- (c) Automobile Liability. Automobile liability insurance against damage because of bodily injury, including death, or damage to property of others as the result of the operation of any automobile (including coverage for owned vehicles, non-owned vehicles and hired vehicles), with such insurance to afford protection to the limit of not less than Five Million Dollars (\$5,000,000) Combined Single Limit in respect to any one accident. This coverage shall include a cross-liability endorsement, shall name Company as an additional insured, and shall contain a waiver by the insurer of any Obligation on the part of Company for the payment of premiums, audits, deductibles, retro-adjustments or any payment obligation due to the insurer by Contractor.
- (d) Excess Liability. Excess liability insurance applicable to all insurance coverages required under the entirety of this paragraph with combined single limits of Five Million Dollars (\$5,000,000) per occurrence, including a cross-liability endorsement, an endorsement naming Company as an additional insured, and a waiver by the insurer of any obligation on the part of Company for the payment of premiums, audits, deductibles, retro-adjustments or any other payment obligation due the insurer by Contractor.
- (e) Additional Insurance. Such additional types and amounts of insurance as may be required by Company, and Contractor shall cooperate with Company in obtaining such additional coverage.
- (f) Required Endorsements. All insurance policies required by this Agreement shall be endorsed to specifically include the liability assumed by Contractor in favor of Company under the indemnity provisions of this Agreement. In addition, all such policies shall be endorsed to name Company as an Additional Insured and a certified copy of such endorsement shall be provided to Company in advance of the commencement of the work under this Agreement. In addition, all such liability



policies shall be endorsed to be primary and non-contributory with any other insurance of Company with respect to any and all claims and demands which may be made against Company or the Indemnified Parties, whether on account of injury or death of any person or persons, damage to or loss of property, violation of law or regulation or otherwise, in any way arising out of, related to or attributed to, directly or indirectly, Contractor's Work under this Agreement or the Contract Documents. Company reserves the right to approve the specific endorsement language granting Company Additional Insured status on all required insurance coverages. Such insurance shall specifically provide that it applies separately to each insured against which claim is made or suit is brought, except with respect to the limits of liability, and shall further provide that all rights of subrogation against Company are waived.

7. Independent Contractor. Nothing contained in this Agreement shall be construed to constitute Contractor as a joint venturer, partner, employee, or agent of the Company, nor shall either party have any authority to bind the other in any respect. It is intended that Contractor shall remain an independent contractor responsible for its own actions. The Contractor is exclusively liable for and shall remit or pay before delinquency all taxes, source deductions, charges, contributions, premiums, assessments and penalties imposed or levied in respect of the services to be performed hereunder and/or arising out or related to the employment of the Contractor's personnel or subcontractors including as applicable and without limitation income tax, employment insurance, Canada Pension Plan and Workers Compensation Board payments. To the extent that the Company is required by any laws, rules, regulations or orders of any government or governmental authority to withhold any sum from amounts owing to the Contractor, the Company shall be entitled to do so and shall hereafter provide the Contractor with appropriate notifications and statements of any deductions and/or disbursements.
8. Assigned Employees: In the event that the Contractor provides services in the form of labor to Company it is recognized that it may be necessary for the Company to direct, supervise and control employees performing work for Company in the event of an emergency. In that event the employee will be deemed an assigned employee from Contractor to Company. In those circumstances the employee's status as an assigned employee will not alter the legal relationship between Company and Contractor. It is understood that a portion of the amount paid to Contractor for labor services will be for expenses including but not limited to workers compensation and other employment costs.
9. Compliance with the Law. Contractor represents and agrees that in performing the project work contemplated of it by this Agreement; it will comply fully with all laws and regulations applicable to said work by all state, local, provincial and federal agencies. Contractor also represents and agrees that it will comply with the Company's rules, regulations, and safety policies while on Company property and performing services for Company. Contractor and Contractor's employees shall at all times make use of all required safety devices including, but not limited to, safety glasses, steel toe shoes, hard hats, metatarsal guards and hearing protection. Contractor shall not allow unauthorized personnel to enter the premises or operations of the Company. If, at any time, Contractor or any of Contractor's employees receives a citation or violation notice from any federal, provincial, state, or local,

agency related to the providing of labor services to the Company or any third party, the citation or violation shall be reviewed by Company and shall constitute cause for the termination of this Agreement at the Company's sole discretion. Contractor shall report any such citation or violation to the Company within three (3) days of issuance thereof to Contractor or Contractor's employee. Contractor shall provide its labor services during such hours or on such shifts as may be requested by the Company. Contractor will conduct all such services in a prudent and workmanlike manner, in accordance with any and all federal, provincial, state, and local laws, rules, and regulations applicable to the operations to be conducted hereunder and, in compliance with such rules for the services which may be established by the Company from time to time and which are generally applicable to the operations of the Company. Contractor agrees to provide to the Company individuals who are legally qualified and certified to perform all assigned tasks. It is the responsibility of the Contractor to ensure all members of their assigned staff have been licensed and certified by the proper regulatory agencies prior to beginning any work on the Company site. Prior to start of work on the Company's property, Contractor will be required to produce copies of all required license and certifications relating to any work being performed. Contractor shall remain responsible for bodily injury and property damage liability while operating said machinery. Contractor represents that the employees furnished by Contractor are familiar with and will obey all applicable local, state, provincial, and federal laws and regulations; that the furnishing of said employees will not result in a violation of any such laws or regulations; that the employees will cooperate with the Company in achieving compliance with all such laws and regulations; will promptly file with the Company if requested, all log sheets, physical examination certificates, accident reports and other reports, documents and data required by law or by Company. All of Contractor's employees that operate any equipment of any kind in the performance of this Agreement shall at all times have and maintain any local, state, provincial, or federal license or permit and training with all necessary class ratings for the equipment to be repaired or operated, or supervision of other personnel.

10. Indemnity. Contractor covenants and agrees to fully defend, protect, indemnify, hold harmless Company, its employees, officers, directors, owners, members, managers and agents from and against each and every claim, demand or cause (including but not limited to reasonable legal fees and expenses incurred in defense of Company), damage or loss in connection therewith which may be made or asserted by Contractor, Contractor's employees or agents, subcontractors of the Contractor or any third parties (including but not limited to Company's agent, servants or employees) on account of personal injury or death or property damaged arising out of, or in any way incidental to, or in connection with the performance of the work hereunder. It is the express intent of the Contractor and Company that the indemnity provided for in this paragraph is indemnity by Contractor to indemnify and protect the Company from the consequences of Company's own negligence, even if that negligence is the sole negligence of the Company.
  
11. Default and Completion of Project Work. If Company at any time shall become dissatisfied with the performance of Contractor as to any particular project work, it shall have the right to terminate Contractor's work by written notice to Contractor and may either complete the project work itself or contract its completion to a third party. In such an event Contractor shall be credited with the full contract price less the cost of completion. Contractor shall

be entitled to any positive balance and shall be obligated to Company for any negative balance. Termination as to a particular project will not terminate this Agreement or any other project work then in progress.

12. Subcontractors. Contractor will not subcontract the Services, in whole or in part, without Company's prior written approval (which will not be unreasonably withheld). Contractor agrees to: (i) impose on Subcontractors obligations consistent with the terms of this Agreement, and (ii) ensure that Subcontractors comply with this Agreement. Contractor's use of any Subcontractor will not relieve, waive or diminish any obligation Contractor has under this Agreement. Any act or omission by any Subcontractor with respect to any matters related to this Agreement shall be deemed the acts or omissions of Contractor, and Contractor shall be responsible and liable for any breach of the terms of this Agreement by any Subcontractor as if such breach had been that of Contractor. Contractor's certificates of insurance shall include all Subcontractors as insured under its policies or Contractor shall be responsible for ensuring and/or verifying that all Subcontractors have valid and collectable insurance as evidence by the certificates of insurance and endorsements of each Subcontractor. Company reserves the right to require, at any time throughout the term of this Agreement, proof from the Contractor that its Subcontractors have the required insurance. Contractor is solely responsible for the payment of any compensation due or allegedly due to Subcontractors, and Subcontractors may not seek payment (either directly or indirectly) from the Company.
13. Disputes. In the event Company disputes in good faith any charges invoiced by Contractor, then Company shall promptly pay all undisputed charges when due, and Company shall not be deemed to be in breach or default of this Agreement for its failure to pay any disputed charges unless and until such charges are ultimately determined to be owed.
14. Arbitration. If a dispute arises between the parties in connection with this Agreement, either party may initiate binding arbitration by giving notice to the other party. The arbitration shall be conducted pursuant to the rules and procedures of the *Commercial Arbitration Act*. The venue of any arbitration shall be Hinton, Alberta. The arbitrator's award shall be final and binding with no right of appeal and may be converted to a judgement by a court of competent jurisdiction upon application of the other party.
15. Compliance with Laws. Contractor agrees to conduct its operations under this Agreement in conformity with all applicable laws, rules, and regulations, now or hereafter in effect, made by the authority of the local, provincial, or federal governments. To the extent required by Alberta law, Contractor shall file any necessary report or other documents, whether mandatory or permissible, with the applicable governmental or other office(s) in order to properly establish and serve notice of Contractor's sole and exclusive responsibility for the work performed hereunder and the health and safety of its employees, agents and permitted subcontractors and responsibility for compliance with such laws and regulations during the term of this Agreement, and provide Company with a copy of such reports and documents concurrently with submittal to such governmental authorities.
16. Fines and Penalties. Contractor shall be responsible and solely liable for the payment of any assessments, penalties, or other fines imposed by any federal, provincial, or local

agency, and for any violation of any federal, provincial, or local law or regulation arising out of Contractor's performance of the work hereunder. Contractor shall provide Company with a copy of all such violations or citations issued by any federal, provincial or local agency immediately upon receipt and fully inform Company of the circumstances surrounding such issuance. Company may, but shall not have any obligation to, compromise and settle any claims for fines or penalties without the approval of Contractor.

17. Workers' Compensation. Contractor shall provide any workers' compensation coverage required by law for its employees and shall certify to Company prior to commencement of the work and on a quarterly basis thereafter compliance therewith in connection with all work performed hereunder. Contractor agrees that it is exclusively liable for, and that it will pay before delinquency, all assessments, payments and premiums imposed or levied by the Workers' Compensation Board in respect of its employees. Notwithstanding anything contained in this Agreement to the contrary, Company, at its sole option, shall have the right to cancel this Agreement immediately and without prior notice, if Contractor's obligations contained in this paragraph are not strictly performed in a timely manner. If the Company incurs any liability to the Workers' Compensation Board whatsoever relating to or on account of the Contractor or its employees, the Company shall be entitled to deduct and set off an amount equal to such liability from any amounts owing to the Contractor without prejudice to any and all other remedies it may have.
18. Equitable Relief. Contractor acknowledges that the injury that would be suffered by Company as a result of a breach of the provisions of this Agreement regarding confidentiality and work product would be irreparable and that an award of monetary damages to Company for such a breach would be an inadequate remedy. Consequently, Company will have the right, in addition to any other right Company may have, to seek injunctive relief to restrain a breach or threatened breach or otherwise specifically to enforce the confidentiality and work product provisions of this Agreement, and Company will not be obligated to post bond or any other security in seeking such relief.
19. Termination. This Agreement may be terminated by either party without cause by the giving of thirty (30) day's written notice thereof to the other party. All project works in progress at the time of termination shall, at the option of the Company, be completed by Contractor and said termination shall have no effect upon the rights of the parties hereto as they pertain to prior or existing project works and any liabilities or injuries arising thereunder.
20. Non Assignability. This Agreement or any project work thereunder shall not be assigned or subcontracted by Contractor without the written consent of the Company. The Company's consent can be withheld at the sole discretion of the Company and without cause.
21. Subsidiaries. The term "Company" as used in this Agreement shall include any or all parent, related or subsidiary entities of the company or affiliate as defined by the Canada Business Corporations Act.

22. Notice. Any notice to be given hereunder by either party to the other shall be in writing addressed to the other party at the address set forth on the signature page of the Agreement.
23. Choice of Law. This agreement shall be governed by and construed in accordance with the laws of the province of Alberta.
24. Prior Agreements and Changes. This Agreement supersedes any and all prior Agreements between Company and Contractor. The terms of this Agreement may be amended as to particular project work to be performed thereunder by written work order but such amendment shall be effective only to the particular project work to which it pertains.

*[Signatures appear on the following page]*

Executed hereto on the \_\_\_\_\_ day of \_\_\_\_\_, 2019.

BY: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Printed Name)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Contractor Company Name)

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(City, Province & Postal Code)

Executed hereto on the \_\_\_\_\_ day of \_\_\_\_\_, 2019

Coalspur Mines (Operations) Ltd,  
110 MacLeod Avenue  
Hinton, Alberta, T7V 2A9

BY: \_\_\_\_\_

\_\_\_\_\_  
(Title)

**To:** Brian Shirzad[bshirzad@clinegrp.com]  
**From:** Andrew Larocque  
**Sent:** Tue 11/12/2019 10:28:33 PM  
**Subject:** FW: Revised Services Agreement  
[stillwater service agreement.pdf](#)

*Andrew Larocque*  
President  
Nova Analytics Inc.  
Suite 1840,  
407-2<sup>nd</sup> Street SW,  
Canada Place,  
Calgary, AB  
T2P 2Y3  
Cell: 1-(306)-370-9022  
Email: [andrew@novainc.ca](mailto:andrew@novainc.ca)  
Website: [www.novainc.ca](http://www.novainc.ca)



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**From:** Andrew Larocque  
**Sent:** November 9, 2019 12:56 PM  
**To:** 'Myron Jones' <mjones@clinegrp.com>  
**Subject:** RE: Revised Services Agreement

*Andrew Larocque*  
President  
Nova Analytics Inc.  
Suite 1840,  
407-2<sup>nd</sup> Street SW,  
Canada Place,  
Calgary, AB  
T2P 2Y3  
Cell: 1-(306)-370-9022  
Email: [andrew@novainc.ca](mailto:andrew@novainc.ca)  
Website: [www.novainc.ca](http://www.novainc.ca)



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**From:** Myron Jones [<mailto:mjones@clinegrp.com>]

**Sent:** November 9, 2019 12:29 PM

**To:** Andrew Larocque <[andrew@novainc.ca](mailto:andrew@novainc.ca)>

**Subject:** Revised Services Agreement

Andrew,

Our CEO asked that we make a couple adjustments to the Contract. I've attached a revised agreement making changes to Paragraph 4 clarifying downtime events and Paragraph 11 clarifying what happens in the event of termination. Let me know if you have any questions.

Thanks

Myron



**Cutlass Collieres LLC | Myron Jones | VP Purchasing - Maintenance | 3801 PGA Blvd STE 903  
| Palm Beach Gardens FL 33410 | (C) 561-373-9687 |**



**SERVICES AGREEMENT BETWEEN  
COALSPUR MINES (OPERATIONS) LTD. AND STILLWATER USA LLC**

This Services Agreement (the "Agreement") is made and entered into on the 5th day of November, 2019 ("Effective Date") by and between Coalspur Mines (Operations) Ltd., (hereinafter referred to as the "Company"), and Stillwater Supply Corp. (hereinafter referred to as the "Contractor").

WHEREAS, Company requires an independent contractor having the expertise necessary for the dewatering of the underflow of the thickener tanks at Company's Vista Mine operations in Hinton, Alberta, Canada, as described more particularly herein (the "Refuse Centrifuge Project"), and

WHEREAS, Contractor has the necessary expertise to provide the services to Company that are required for the Refuse Centrifuge Project, and desires to provide such services to Company; and

WHEREAS, Company and Contractor desire to enter into this Agreement to govern the terms pursuant to which Contractor will provide services as required for the Refuse Centrifuge Project.

NOW, THEREFORE, for and in consideration of the premises and the mutual promises, covenants and agreements hereinafter set forth Company and Contractor agree as follows:

1. Services, Materials and Supplies: Contractor shall provide the Labor and Equipment, as defined below, necessary to achieve the Performance Criteria, as defined below, for the Refuse Centrifuge Project, for a period of ninety (90) consecutive calendar days (including all weekends and any holidays). The term "Labor and Equipment" shall mean all of the following items:

- A minimum of four (4) centrifuges
- A minimum of 1.5 loads of sawdust
- Living allowance
- Maintenance
- Skid steer
- Tanks
- Hoses
- Shipping container with parts
- Polymer we will consume
- Sawdust conveyor system
- Snow removal
- Minimum 4-man crew
  - -2 man/12 hr. shift x 2 shifts
  - All holidays will be scheduled
- Daily detailed report
- Crew truck
- Pumps

- Manifolds
- Tools
- Conveyor system
- Lighting
- First aid stations/safety equipment

In addition to the Labor and Equipment listed above, all of which shall be included in the Contract Price, Contractor shall provide the following items for the charges specified beside each such item below, all of which shall be referred to collectively herein as the “Additional Labor and Equipment”:

- Primary Nat. Gas generator 1250KW (\$3000/day)
- Maintenance on generator (Fixed \$11,960/28 day cycle)
- Backup Diesel generator 800KW (Optional \$1000/day)
- Gas fitter to hook up Nat. Gas to generator
- Underflow line from plate press building tank to our manifold
- Site prep.
- Mobilization and demobilization of equipment at our cost ( $\$215/\text{hr.} \times 6 \text{ hr} = \$1290 \times \sim 14 \text{ loads} = \sim \$18060$  (Anything over this we will cover)
- Applicable taxes
- Diesel for pumps

Where no charges are designated for any item of Additional Labor and Equipment set forth above, Contractor shall provide such item(s) for its actual cost, which actual cost shall be documented by receipts and/or invoices. All “Labor and Equipment” provided by Contractor for the Refuse Centrifuge Project shall be referred to herein as the “Services”.

2. Time and Performance Criteria: Contractor shall commence the Services on a date after the Effective Date of this Agreement that is mutually agreed upon by Company and Contractor (the “Start-Up Date”), and shall complete the Services pursuant to the following time frame:

- Mobilization and Commissioning: to be completed 21 calendar days after the Start-Up Date;
- Operational Period: to commence the first calendar day after completion of Mobilization and Commissioning and continue for a period of ninety (90) consecutive calendar days thereafter;
- Demobilization: to commence the first calendar day after the completion of the Operational Period and to continue for a period of two calendar days thereafter, if necessary;
- Cleanup: to commence the first calendar day after the completion of Demobilization and to continue for a period of one (1) calendar day.

Contractor shall provide all Services necessary to achieve the following performance criteria (collectively referred to herein as the “Performance Criteria”) with respect to the

Refuse Centrifuge Project for a period of ninety (90) consecutive days (including all weekend days and any holidays) (the "Performance Period"):

- Contractor guarantees centrifuge concentrate will be 1.050 SG or lower at all times during the Performance Period, and will work diligently during the Performance Period to achieve a centrifuge concentrate below 1.020 SG, including by bringing in supplemental equipment at Contractor's sole cost and expense
- Contractor guarantees adequate equipment, manpower and supplies to process 3300 gallons/min during the Performance Period
- Contractor guarantees centrifuge moisture will not exceed 32% during the Performance Period
- Contractor guarantees refuse pile will be maintained at normal stability standards and will be workable (move and push) by Cat D8 LGP dozer
- Contractor guarantees all equipment to be in sufficient working order and to supply sufficient manpower to work at 97% availability to include standby equipment or personnel -- NPT (non-productive time) will be under 3% excluding planned maintenance

Contractor guarantees its performance will exceed the Performance Criteria listed above. Contractor understands time is of the essence for purposes of its achievement of the Performance Criteria, and agrees that if necessary, Contractor will furnish any additional equipment, manpower, and supplies necessary to meet all Performance Criteria, at Contractor's sole cost and expense, within forty-eight hours of its receipt of any deficiency notice from Company. An email from Company to Contractor shall suffice for purposes of serving Company with a deficiency notice.

3. Clean Up: Upon completion of the work which shall be to the satisfaction of a representative of the Company, Contractor will clean up the premises in accordance with the schedule set forth above and place any excess or unused material at points or places as designated or under the direction of a representative of the Company.
4. Amount and Time of Payment: Contractor will provide all Labor and Equipment required to perform the Services at a price not to exceed \$24,000 CAD per operational day plus applicable GST tax at 5% or \$2,160,000 CAD in the aggregate (the "Contract Price"). The contractor acknowledges the preparation plant will have non-operational days including unscheduled downtime events, planned maintenance or any other reason the facility does not operate. The Contractor will bill standby/maintenance days at \$19,000 CAD per day. In the event non-operational days are less than 24 hours, Stillwater will schedule work for the remainder of the day upon completion of maintenance / downtime event. Contractor will provide all Additional Labor and Equipment at the price designated or such Additional Labor and Equipment in Paragraph 1, above. Contractor shall invoice on a weekly basis (Monday – Sunday), and all invoices shall be payable on a net thirty (30) days basis. Prior to payment, the Company may require Contractor to provide adequate proof that satisfactory provision has been made for the payment of any and all claims for damages,

labor, materials, or supplies which Contractor may have incurred or become liable by reason of its performance of the Services.

5. Books and Records. Contractor shall keep detailed books and records relating to all project work performed and such books and records shall upon request at reasonable times be made available for a period of two (2) years after completion of the project work, for inspection or audit by a representative of the Company.
  
6. Amount and Types of Insurance: Without limiting Contractor's undertaking to protect, indemnify, defend and hold harmless Company and the Indemnified Parties as set forth in this Agreement, Contractor shall procure and maintain, at the cost of Contractor, the following insurance coverages with insurance carrier(s) that are acceptable to Company in Company's sole discretion during the term of this Agreement and all other times during which Contractor, its employees, agents or subcontractors shall be present at the Mine premises, whether performing or correcting any of the work. Before commencing any work under this Agreement, Contractor shall furnish Company with certificates of insurance and/or certified copies of the required insurance policies together with all applicable endorsements attested by a duly authorized representative of the insurance carrier(s) evidencing that the insurance required hereunder is in force and effect and that such insurance will not be reduced, cancelled or materially changed without giving Company at least thirty (30) days prior written notice:
  - (a) Employee Injury Coverage. Contractor shall carry Employer's Liability insurance covering all operations and work hereunder in an amount not less than Five Million Dollars (\$5,000,000) per occurrence or such other reasonable amount as Company may require during the term of this Agreement. All such Employer's Liability insurance and associated insurance policy(ies) shall expressly provide that all rights of subrogation against Company are waived.
  
  - (b) Public Liability. Commercial General Liability ("CGL") insurance (including premises liability, blanket contractual liability, independent contractor liability, explosion, and products/ completed operations coverage) against damage because of bodily injury, including death, or damage to property of others, such insurance to afford protection to the limit of not less than Five Million Dollars (\$5,000,000) Combined Single Limit per occurrence and not in the aggregate for property damage, personal injury, and bodily injuries, including death. To the extent that Contractor has concurrent obligations or work to be performed at locations other than the project worksite described herein, Contractor's CGL insurer shall endorse its policy(ies) to provide that the required Five Million Dollars (\$5,000,000) aggregate limit set forth above shall apply separately to each location where work is performed by Contractor. This coverage shall include, but not be limited to, provisions for:
    - (A) Premises – operations;
  
    - (B) Blanket broad form contractual – specifically coverage the indemnity obligations set forth in this Agreement;

- (C) Blanket broad form property damage;
  - (D) Independent contractors;
  - (E) Personal injury;
  - (F) Company named as Additional Insured;
  - (G) Blanket broad form cross liability endorsement;
  - (H) Products and completed operations;
  - (I) Where exposure exists, explosion, collapse, and underground (XCU) hazard exclusions must be deleted; and
  - (J) Waiver by insurer of all payment obligations of Company for payment of premiums, audits, deductibles, retro-adjustments or any other payment obligation due to the insurer by Contractor.
- (c) Automobile Liability. Automobile liability insurance against damage because of bodily injury, including death, or damage to property of others as the result of the operation of any automobile (including coverage for owned vehicles, non-owned vehicles and hired vehicles), with such insurance to afford protection to the limit of not less than Five Million Dollars (\$5,000,000) Combined Single Limit in respect to any one accident. This coverage shall include a cross-liability endorsement, shall name Company as an additional insured, and shall contain a waiver by the insurer of any Obligation on the part of Company for the payment of premiums, audits, deductibles, retro-adjustments or any payment obligation due to the insurer by Contractor.
- (d) Excess Liability. Excess liability insurance applicable to all insurance coverages required under the entirety of this paragraph with combined single limits of Five Million Dollars (\$5,000,000) per occurrence, including a cross-liability endorsement, an endorsement naming Company as an additional insured, and a waiver by the insurer of any obligation on the part of Company for the payment of premiums, audits, deductibles, retro-adjustments or any other payment obligation due the insurer by Contractor.
- (e) Additional Insurance. Such additional types and amounts of insurance as may be required by Company, and Contractor shall cooperate with Company in obtaining such additional coverage.
- (f) Required Endorsements. All insurance policies required by this Agreement shall be endorsed to specifically include the liability assumed by Contractor in favor of Company under the indemnity provisions of this Agreement. In addition, all such policies shall be endorsed to name Company as an Additional Insured and a

certified copy of such endorsement shall be provided to Company in advance of the commencement of the work under this Agreement. In addition, all such liability policies shall be endorsed to be primary and non-contributory with any other insurance of Company with respect to any and all claims and demands which may be made against Company or the Indemnified Parties, whether on account of injury or death of any person or persons, damage to or loss of property, violation of law or regulation or otherwise, in any way arising out of, related to or attributed to, directly or indirectly, Contractor's Work under this Agreement or the Contract Documents. Company reserves the right to approve the specific endorsement language granting Company Additional Insured status on all required insurance coverages. Such insurance shall specifically provide that it applies separately to each insured against which claim is made or suit is brought, except with respect to the limits of liability, and shall further provide that all rights of subrogation against Company are waived.

7. Independent Contractor. Nothing contained in this Agreement shall be construed to constitute Contractor as a joint venturer, partner, employee, or agent of the Company, nor shall either party have any authority to bind the other in any respect. It is intended that Contractor shall remain an independent contractor responsible for its own actions. The Contractor is exclusively liable for and shall remit or pay before delinquency all taxes, source deductions, charges, contributions, premiums, assessments and penalties imposed or levied in respect of the services to be performed hereunder and/or arising out or related to the employment of the Contractor's personnel or subcontractors including as applicable and without limitation income tax, employment insurance, Canada Pension Plan and Workers Compensation Board payments. To the extent that the Company is required by any laws, rules, regulations or orders of any government or governmental authority to withhold any sum from amounts owing to the Contractor, the Company shall be entitled to do so and shall hereafter provide the Contractor with appropriate notifications and statements of any deductions and/or disbursements.
8. Assigned Employees: In the event that the Contractor provides services in the form of labor to Company it is recognized that it may be necessary for the Company to direct, supervise and control employees performing work for Company in the event of an emergency. In that event the employee will be deemed an assigned employee from Contractor to Company. In those circumstances the employee's status as an assigned employee will not alter the legal relationship between Company and Contractor. It is understood that a portion of the amount paid to Contractor for labor services will be for expenses including but not limited to workers compensation and other employment costs.
9. Compliance with the Law. Contractor represents and agrees that in performing the project work contemplated of it by this Agreement; it will comply fully with all laws and regulations applicable to said work by all state, local, provincial and federal agencies. Contractor also represents and agrees that it will comply with the Company's rules, regulations, and safety policies while on Company property and performing services for Company. Contractor and Contractor's employees shall at all times make use of all required safety devices including, but not limited to, safety glasses, steel toe shoes, hard hats, metatarsal guards and hearing protection. Contractor shall not allow unauthorized personnel to enter the

premises or operations of the Company. If, at any time, Contractor or any of Contractor's employees receives a citation or violation notice from any federal, provincial, state, or local, agency related to the providing of labor services to the Company or any third party, the citation or violation shall be reviewed by Company and shall constitute cause for the termination of this Agreement at the Company's sole discretion. Contractor shall report any such citation or violation to the Company within three (3) days of issuance thereof to Contractor or Contractor's employee. Contractor shall provide its labor services during such hours or on such shifts as may be requested by the Company. Contractor will conduct all such services in a prudent and workmanlike manner, in accordance with any and all federal, provincial, state, and local laws, rules, and regulations applicable to the operations to be conducted hereunder and, in compliance with such rules for the services which may be established by the Company from time to time and which are generally applicable to the operations of the Company. Contractor agrees to provide to the Company individuals who are legally qualified and certified to perform all assigned tasks. It is the responsibility of the Contractor to ensure all members of their assigned staff have been licensed and certified by the proper regulatory agencies prior to beginning any work on the Company site. Prior to start of work on the Company's property, Contractor will be required to produce copies of all required license and certifications relating to any work being performed. Contractor shall remain responsible for bodily injury and property damage liability while operating said machinery. Contractor represents that the employees furnished by Contractor are familiar with and will obey all applicable local, state, provincial, and federal laws and regulations; that the furnishing of said employees will not result in a violation of any such laws or regulations; that the employees will cooperate with the Company in achieving compliance with all such laws and regulations; will promptly file with the Company if requested, all log sheets, physical examination certificates, accident reports and other reports, documents and data required by law or by Company. All of Contractor's employees that operate any equipment of any kind in the performance of this Agreement shall at all times have and maintain any local, state, provincial, or federal license or permit and training with all necessary class ratings for the equipment to be repaired or operated, or supervision of other personnel.

10. Indemnity. Contractor covenants and agrees to fully defend, protect, indemnify, hold harmless Company, its employees, officers, directors, owners, members, managers and agents from and against each and every claim, demand or cause (including but not limited to reasonable legal fees and expenses incurred in defense of Company), damage or loss in connection therewith which may be made or asserted by Contractor, Contractor's employees or agents, subcontractors of the Contractor or any third parties (including but not limited to Company's agent, servants or employees) on account of personal injury or death or property damaged arising out of, or in any way incidental to, or in connection with the performance of the work hereunder. It is the express intent of the Contractor and Company that the indemnity provided for in this paragraph is indemnity by Contractor to indemnify and protect the Company from the consequences of Company's own negligence, even if that negligence is the sole negligence of the Company.
  
11. Default and Termination. If Company at any time shall become dissatisfied with the performance of Contractor under this Agreement, Company shall have the right to terminate this Agreement and Contractor's work hereunder by written notice to Contractor.

In the event of any such termination by Company, Company shall have no further obligation to Contractor under this Agreement other than the obligation to pay for any work actually performed by Contractor prior to the date of termination for which Contractor has not already been paid.

12. Subcontractors. Contractor will not subcontract the Services, in whole or in part, without Company's prior written approval (which will not be unreasonably withheld). Contractor agrees to: (i) impose on Subcontractors obligations consistent with the terms of this Agreement, and (ii) ensure that Subcontractors comply with this Agreement. Contractor's use of any Subcontractor will not relieve, waive or diminish any obligation Contractor has under this Agreement. Any act or omission by any Subcontractor with respect to any matters related to this Agreement shall be deemed the acts or omissions of Contractor, and Contractor shall be responsible and liable for any breach of the terms of this Agreement by any Subcontractor as if such breach had been that of Contractor. Contractor's certificates of insurance shall include all Subcontractors as insured under its policies or Contractor shall be responsible for ensuring and/or verifying that all Subcontractors have valid and collectable insurance as evidence by the certificates of insurance and endorsements of each Subcontractor. Company reserves the right to require, at any time throughout the term of this Agreement, proof from the Contractor that its Subcontractors have the required insurance. Contractor is solely responsible for the payment of any compensation due or allegedly due to Subcontractors, and Subcontractors may not seek payment (either directly or indirectly) from the Company.
13. Disputes. In the event Company disputes in good faith any charges invoiced by Contractor, then Company shall promptly pay all undisputed charges when due, and Company shall not be deemed to be in breach or default of this Agreement for its failure to pay any disputed charges unless and until such charges are ultimately determined to be owed.
14. Arbitration. If a dispute arises between the parties in connection with this Agreement, either party may initiate binding arbitration by giving notice to the other party. The arbitration shall be conducted pursuant to the rules and procedures of the *Commercial Arbitration Act*. The venue of any arbitration shall be Hinton, Alberta. The arbitrator's award shall be final and binding with no right of appeal and may be converted to a judgement by a court of competent jurisdiction upon application of the other party.
15. Compliance with Laws. Contractor agrees to conduct its operations under this Agreement in conformity with all applicable laws, rules, and regulations, now or hereafter in effect, made by the authority of the local, provincial, or federal governments. To the extent required by Alberta law, Contractor shall file any necessary report or other documents, whether mandatory or permissible, with the applicable governmental or other office(s) in order to properly establish and serve notice of Contractor's sole and exclusive responsibility for the work performed hereunder and the health and safety of its employees, agents and permitted subcontractors and responsibility for compliance with such laws and regulations during the term of this Agreement, and provide Company with a copy of such reports and documents concurrently with submittal to such governmental authorities.



16. Fines and Penalties. Contractor shall be responsible and solely liable for the payment of any assessments, penalties, or other fines imposed by any federal, provincial, or local agency, and for any violation of any federal, provincial, or local law or regulation arising out of Contractor's performance of the work hereunder. Contractor shall provide Company with a copy of all such violations or citations issued by any federal, provincial or local agency immediately upon receipt and fully inform Company of the circumstances surrounding such issuance. Company may, but shall not have any obligation to, compromise and settle any claims for fines or penalties without the approval of Contractor.
17. Workers' Compensation. Contractor shall provide any workers' compensation coverage required by law for its employees and shall certify to Company prior to commencement of the work and on a quarterly basis thereafter compliance therewith in connection with all work performed hereunder. Contractor agrees that it is exclusively liable for, and that it will pay before delinquency, all assessments, payments and premiums imposed or levied by the Workers' Compensation Board in respect of its employees. Notwithstanding anything contained in this Agreement to the contrary, Company, at its sole option, shall have the right to cancel this Agreement immediately and without prior notice, if Contractor's obligations contained in this paragraph are not strictly performed in a timely manner. If the Company incurs any liability to the Workers' Compensation Board whatsoever relating to or on account of the Contractor or its employees, the Company shall be entitled to deduct and set off an amount equal to such liability from any amounts owing to the Contractor without prejudice to any and all other remedies it may have.
18. Equitable Relief. Contractor acknowledges that the injury that would be suffered by Company as a result of a breach of the provisions of this Agreement regarding confidentiality and work product would be irreparable and that an award of monetary damages to Company for such a breach would be an inadequate remedy. Consequently, Company will have the right, in addition to any other right Company may have, to seek injunctive relief to restrain a breach or threatened breach or otherwise specifically to enforce the confidentiality and work product provisions of this Agreement, and Company will not be obligated to post bond or any other security in seeking such relief.
19. Termination. This Agreement may be terminated by either party without cause by the giving of thirty (30) day's written notice thereof to the other party. All project works in progress at the time of termination shall, at the option of the Company, be completed by Contractor and said termination shall have no effect upon the rights of the parties hereto as they pertain to prior or existing project works and any liabilities or injuries arising thereunder.
20. Non Assignability. This Agreement or any project work thereunder shall not be assigned or subcontracted by Contractor without the written consent of the Company. The Company's consent can be withheld at the sole discretion of the Company and without cause.
21. Subsidiaries. The term "Company" as used in this Agreement shall include any or all parent, related or subsidiary entities of the company or affiliate as defined by the Canada Business Corporations Act.

22. Notice. Any notice to be given hereunder by either party to the other shall be in writing addressed to the other party at the address set forth on the signature page of the Agreement.
23. Choice of Law. This agreement shall be governed by and construed in accordance with the laws of the province of Alberta.
24. Prior Agreements and Changes. This Agreement supersedes any and all prior Agreements between Company and Contractor. The terms of this Agreement may be amended as to particular project work to be performed thereunder by written work order but such amendment shall be effective only to the particular project work to which it pertains.

*[Signatures appear on the following page]*

Executed hereto on the 9 day of November, 2019.

BY:

  
(Signature)

Andrew Larocque  
(Printed Name)

President  
(Title)

Stillwater Supply Corp  
(Contractor Company Name)

1840-407 25th SW  
(Address)

Calgary AB T2P 2Y3  
(City, Province & Postal Code)

Executed hereto on the \_\_\_\_\_ day of \_\_\_\_\_, 2019

Coalspur Mines (Operations) Ltd,  
110 MacLeod Avenue  
Hinton, Alberta, T7V 2A9

BY: \_\_\_\_\_

\_\_\_\_\_  
(Title)

This is **Exhibit "H"** referred to in the  
Affidavit of Andrew Larocque

Sworn before me this 22 day of October,  
2021



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A Commissioner for Oaths  
in and for the Province of Alberta



Coalspur Mines (Operations) Ltd.  
Box 6146  
Hinton, AB T7V 1X5

January 10, 2020

**VIA EMAIL, REGULAR MAIL AND HAND DELIVER**

Stillwater Supply Corp.  
ATTN: Andrew Larocque, President  
1840-407 2 St. SW  
Calgary, AB T2P2Y3

Re: Notice of Termination of Services Agreement

Mr. Larocque:

I refer you to Paragraph 11 of that Services Agreement entered into as of November 14, 2019 by and between Coalspur Mines (Operations) Ltd. and Stillwater Supply Corp. in respect of the Refuse Centrifuge Project at our Vista Mine operations.

Please be advised that Coalspur is dissatisfied with Stillwater's performance, and accordingly, this letter shall serve as notice of Coalspur's election to terminate the Services Agreement pursuant to Paragraph 11.

Sincerely,

Delbert L. Lobb  
President

This is **Exhibit "I"** referred to in the Affidavit  
of Andrew Larocque

Sworn before me this 22 day of October,  
2021



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A Commissioner for Oaths  
in and for the Province of Alberta



# INVOICE

Invoice for standby days Dec 3-9, 2019

**Stillwater Supply Corp.**  
407 2 Street Southwest  
Calgary, Alberta T2P 2Y3  
Canada

306-370-9022

**BILL TO**  
**Coalspur Mines Operation**  
P.O. Box 6146  
Hinton, Alberta T7V 1X5  
Canada

**Invoice Number:** BH-027

**P.O./S.O. Number:** 4500017490

**Invoice Date:** August 17, 2020

**Payment Due:** September 16, 2020

**Amount Due (CAD): \$162,299.83**

Items	Quantity	Price	Amount
<b>Standby Day Rate</b> Dec 3-9, 2019	7	\$19,000.00	\$133,000.00
<b>Interest @ 24% annually</b> September 2020	1	\$2,660.00	\$2,660.00
<b>Interest @ 24% annually</b> October 2020	1	\$2,660.00	\$2,660.00
<b>Interest @ 24% annually</b> November 2020	1	\$2,660.00	\$2,660.00
<b>Interest @ 24% annually</b> December 2020	1	\$2,660.00	\$2,660.00
<b>Interest @ 24% annually</b> 2021 Interest up to CCAA May 6, 2021	1	\$10,931.27	\$10,931.27

<b>Subtotal:</b>	\$154,571.27
GST 5% (765771134):	\$7,728.56
<b>Total:</b>	\$162,299.83
<b>Amount Due (CAD):</b>	<b>\$162,299.83</b>

### Notes / Terms

Net 30 - All outstanding invoices subject to an automatic 24% annual interest.



# INVOICE

Invoice for standby days Dec 3-9, 2019

**Stillwater Supply Corp.**  
407 2 Street Southwest  
Calgary, Alberta T2P 2Y3  
Canada

306-370-9022

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## Notes / Terms

As per our discussion on January 9, 2019 with DL, Brian, Simon and Bard. This invoice is for the days we were not provided power.