

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
TACORA RESOURCES INC.**

(Applicant)

APPLICATION RECORD

October 9, 2023

STIKEMAN ELLIOTT LLP
Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto ON M5L 1B9

Ashley Taylor (LSO #39932E)
Tel: (416) 869-5236
Email: ataylor@stikeman.com

Lee Nicholson (LSO #66412I)
Tel: (416) 869-5604
Email: leenicholson@stikeman.com

Natasha Rambaran (LSO #80200N)
Tel: (416) 869-5504
Email: nrambaran@stikeman.com

Philip Yang (LSO #82084O)
Tel : (416) 869-5593
Email: pyang@stikeman.com

Counsel to the Applicant.

TO: THE SERVICE LIST

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I N D E X

TAB	DOCUMENT
1.	Notice of Application dated October 9, 2023
2.	Affidavit of Joe Broking sworn October 9, 2023
A.	Exhibit "A" – Corporation Profile Report of Tacora dated September 5, 2023
B.	Exhibit "B" – Capitalization table showing the Company's ownership on a non-diluted and fully diluted basis
C.	Exhibit "C" – Current organization chart of Tacora and the Tacora Subsidiaries
D.	Exhibit "D" – Amendment and Restatement of consolidation of mining leases (MFC Royalty) dated November 17, 2017
E.	Exhibit "E" – Audited Financial Statements for the fiscal year ended December 31, 2022
F.	Exhibit "F" – Unaudited monthly report for the month ended July 31, 2023
G.	Exhibit "G" – Personal Property Security Searches in respect of Tacora in Ontario conducted as at August 29, 2023
H.	Exhibit "H" – Personal Property Security Searches in respect of Tacora in Newfoundland and Labrador conducted as at September 1, 2023
I.	Exhibit "I" – Third Advanced Payment Facility (APF) Amendment, including the current version of the APF Agreement
J.	Exhibit "J" – Cash Flow Forecast for the period from the date of filing to March 1, 2024
K.	Exhibit "K" – DIP Agreement dated October 9, 2023 (without schedules)

TAB	DOCUMENT
L.	Exhibit "L" – FTI's consent to act as the Court-appointed Monitor of the Applicant
M.	Exhibit "M" – Greenhill Engagement Letter dated as of January 23, 2023
3.	Affidavit of Chetan Bhandari sworn October 9, 2023
A.	Confidential Exhibit "A" – Summary Comparison of DIP Proposals
4.	Proposed Initial Order
5.	Blackline of Proposed Initial Order to Model Order
6.	Proposed Amended and Restated Initial Order
7.	Blackline of Proposed Amended and Restated Initial Order to Model Order
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TAB 1

Court File No.

**ONTARIO
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NOTICE OF APPLICATION

TO THE RESPONDENTS

A LEGAL PROCEEDING HAS BEEN COMMENCED by the Applicant. The claim made by the Applicant appears on the following pages.

THIS APPLICATION will come on for a hearing before a Judge presiding over the Ontario Superior Court of Justice (Commercial List),

- In person
- By telephone conference
- By video conference at the following link:

<https://ca01web.zoom.us/j/64172244590?pwd=OHg5VkFZNIRHb3FPdFcxaVY4dnRRZz09>

on October 10, 2023 at 11:00 a.m. (Toronto time) by Zoom videoconference. Zoom videoconference details for the hearing are attached hereto as Schedule "A" hereto. Please advise if you intend to join the hearing by emailing Natasha Rambaran (nrambaran@stikeman.com).

IF YOU WISH TO OPPOSE THIS APPLICATION, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the *Rules of Civil Procedure*, serve it on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but not later than 2 p.m. on the day before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, AN ORDER MAY BE MADE IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. If you wish to oppose this application but are unable to pay legal fees, legal aid may be available to you by contracting a Local Legal Aid office.

Date October 9, 2023 Issued by _____
Local Registrar

Address of court office:
330 University Avenue, 7th Floor
Toronto, ON M5G 1R7

APPLICATION

1. **THIS APPLICATION IS MADE BY** Tacora Resources Inc. (“**Tacora**” or the “**Company**” or the “**Applicant**”) for an order substantially in the form attached at Tab 4 of this Application Record (the “**Initial Order**”) pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”):¹

- (a) abridging the time for serving this Notice of Application and Application Record and dispensing with further service thereof;
- (b) declaring that the Applicant is a debtor company to which the CCAA applies;
- (c) staying all proceedings and remedies taken or that might be taken against or in respect of the Applicant any of its assets, property or undertakings (“**Property**”), business operations (the “**Business**”), or its directors and officers (the “**D&Os**”), except as otherwise set forth in the Initial Order (the “**Stay**”), until and including October 20, 2023 (the “**Stay Period**”);
- (d) appointing FTI Consulting Canada Inc. (“**FTI**” or the “**Proposed Monitor**”) as the monitor of the Applicant (if appointed, in such capacity, the “**Monitor**”) in these CCAA Proceedings;
- (e) authorizing the Applicant to borrow a super-priority, debtor-in-possession, non-revolving credit facility (the “**DIP Facility**”) pursuant to the DIP Loan Agreement dated October 9, 2023 (the “**DIP Agreement**”) in order to finance working capital requirements, general corporate expenses and capital expenditures, provided that borrowings under the DIP Agreement shall not exceed the principal amount

¹ Capitalized terms used and not otherwise defined have the meaning ascribed to them in the Affidavit of Joe Broking sworn October 9, 2023 (the “**Broking Affidavit**”).

of US\$15,500,000 (the “**First DIP Advance**”) and Post-Filing Credit Extensions (as defined in the DIP Agreement) shall not exceed \$20,000,000, unless permitted by further Order of this Court;

- (f) granting the following priority charges against the Property:
 - (i) an “**Administration Charge**” against the Property in an aggregate amount of US\$1,000,000;
 - (ii) a “**Directors’ Charge**” against the Property in an aggregate amount of US\$4,600,000;
 - (iii) a “**DIP Charge**” against the Property as security for the Applicant’s obligations under the DIP Agreement;
- (g) seeking such further and other relief as this Honourable Court deems just;

2. If the Initial Order is granted, the Applicant intends to return to Court within ten (10) days (the “**Comeback Motion**”) to seek approval of an Amended and Restated Initial Order (“**ARIO**”) substantially in the form attached at Tab 6 of the Application Record:

- (a) extending the Stay Period until and including February 9, 2024;
- (b) authorizing the Applicant to borrow up to US\$75,000,000 under the DIP Agreement;
- (c) approving the engagement of Greenhill & Co. Canada Ltd. (“**Greenhill**”) by the Applicant as financial advisor;
- (d) approving the engagement of GLC by the Applicant as financial advisor to the DIP Lenders;

- (e) approving the key employee retention plan (the “**KERP**”) and authorizing the Applicant to pay an amount up to US\$3,035,000 to the Monitor to hold in a segregated account (the “**KERP Funds**”);
 - (f) granting a first-ranking “**KERP Charge**” against the KERP Funds, which charge shall not exceed an aggregate amount of US\$3,035,000 to secure any payments to the Key Employees under the KERP;
 - (g) granting the following priority charges against the Property (collectively, with the KERP Charge, the “**Charges**”):
 - (i) the Administration Charge in the amount of US\$1,000,000;
 - (ii) an increase to the Directors’ Charge to US\$5,200,000; and
 - (iii) a “**Transaction Fee Charge**” against the Property which charge shall not exceed an aggregate amount of US\$5,600,000, as security for Greenhill’s Transaction Fee (as defined in the Broking Affidavit);
 - (iv) the DIP Charge;
 - (h) seeking such further and other relief as this Honourable Court deems just;
3. At the Comeback Motion, the Applicant will also seek approval of an order (the “**Solicitation Order**”) substantially in the form attached at Tab 8 of the Application Record:
- (a) approving the sale, investment and services solicitation process (the “**Solicitation Process**”) substantially in the form attached as Schedule “A” to the Solicitation Order; and

- (b) authorizing Applicant, Greenhill and the Monitor to immediately commence the Solicitation Process.

THE GROUNDS FOR THE APPLICATION ARE:

Overview

4. Tacora is a private company focused on the production and sale of high-grade iron ore concentrate mined from the Scully Mine, located near Wabush, Newfoundland and Labrador, Canada;
5. Tacora acquired the Scully Mine in 2017 and has since raised and invested significant capital in the Scully Mine to restart mining operations. Commercial production recommenced in 2019;
6. Since restarting mining operations in 2019, the Applicant has encountered various operational challenges in attempting to ramp up production to nameplate capacity of 6.0 Mtpa, and, since the third quarter of 2022, the Company has faced liquidity challenges due to capital and human resources constraints, equipment failures, difficult capital project execution, continued operational issues, high indebtedness and iron ore price volatility;
7. During this period of strained liquidity, the Applicant has worked collaboratively with its primary secured creditors to address these challenges by raising additional capital, deferring various debt obligations and pursuing other initiatives;
8. In January 2023, the Applicant engaged Greenhill to undertake the Strategic Process;
9. While the Strategic Process produced interest from multiple parties and advanced discussions between stakeholders on a recapitalization transaction, the Applicant has not been able to implement a viable transaction;

10. The current filing and commencement of the CCAA Proceedings stems from the Applicant's need for additional capital to address an imminent liquidity shortfall as well as the maturity and payment due dates of various debt obligations;

11. The CCAA Proceedings will allow the Applicant to: (a) secure interim financing to ensure the Company can continue to operate the Scully Mine in the ordinary course; (b) preserve the going-concern value of the Scully Mine; and (c) continue and complete the Strategic Process to execute upon a value-maximizing sale or recapitalization transaction for the benefit of stakeholders;

12. Without the protection of the CCAA and the relief available thereunder, the Applicant will be unable to meet its obligations as they become due;

13. The Applicant's liabilities exceed C\$5,000,000;

14. The Applicant is a debtor company to which the CCAA applies;

Stay of Proceedings

15. The Applicant requires the Stay for an initial period of ten (10) days, until and including October 20, 2023, to protect the value of its Business and Property;

16. The Stay is necessary and in the best interest of the Applicant and its stakeholders, as it will allow the Applicant to have the breathing space to: (a) obtain necessary funding to continue operations for the benefit of its employees and other stakeholders; and (b) concurrently explore strategic alternatives and commence the Solicitation Process pursuant to the proposed Solicitation Order (which the Applicant will seek approval of at the Comeback Motion) to consummate a sale and/or investment transaction to maximize value for its stakeholders;

17. With the benefit of the Stay and access to the DIP Facility, the Applicant expects to have sufficient cash to fund its projected operating costs during the Stay Period;

18. The Applicant will subsequently request an extension of the Stay Period until and including February 9, 2024 at the Comeback Motion;

Appointment of FTI as Monitor

19. FTI has consented to act as the Monitor of the Applicant, subject to Court approval;

20. FTI is a trustee within the meaning of section 2 of the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3 (as amended) and is not subject to any of the restrictions on who may be appointed as monitor set out in section 11.7(2) of the CCAA;

21. FTI has extensive experience in matters of this nature and is familiar with the Applicant's Business and Property, and is therefore well suited to this mandate;

Administration Charge

22. The Applicant seeks the Administration Charge on the Property in the aggregate amount of US\$1,000,000 to secure the fees and disbursements incurred in connection with services rendered to the Applicant, both before and after the commencement of the CCAA Proceedings by: (a) the Monitor and its counsel; (b) the Applicant's counsel; and (c) Greenhill in respect of the Monthly Advisory Fee (as defined and described in the Broking Affidavit);

23. The Applicant requires the expertise, knowledge, and continued participation of the proposed beneficiaries of the Administration Charge during these CCAA Proceedings;

Directors' Charge

24. The Initial Order seeks a Directors' Charge over the Property to indemnify the Applicant's D&Os in respect of liabilities they may incur in such capacities during the CCAA Proceedings, up to an aggregate amount of US\$4,600,000 in the Initial Order and up to an aggregate amount of US\$5,200,000 in the ARIO;

25. While the Applicant maintains directors' and officers' liability insurance, it is uncertain whether all claims for which its D&Os may be personally liable will be covered by such insurance;

DIP Agreement and DIP Charge

26. The cash flow forecast of the Applicant demonstrates a critical need for interim financing to continue operations and to fund these CCAA Proceedings;

27. In connection with the commencement of the CCAA Proceedings, the Applicant ran a competitive DIP process to secure the best availability interim financing available in the circumstances. Following the competitive, DIP process, the Applicant entered into the DIP Agreement with the DIP Lender, pursuant to which the DIP Lender has agreed to provide the DIP Facility to the Applicant;

28. The Initial Order contemplates authorizing the Applicant to draw the First DIP Advance, which shall not exceed the principal amount of US\$15,500,000 (the "**First DIP Advance**") and Post-Filing Credit Extensions (as defined in the DIP Agreement), which shall not exceed \$20,000,000, and the ARIO contemplates authorizing the Applicant to draw the maximum principal amount of US\$75,000,000;

29. The DIP Facility is conditional upon, among other things, this Court approving the DIP Agreement and granting the DIP Charge over the Property;

Approval of Greenhill Engagement

30. At the Comeback Motion, the Applicant will seek approval of Greenhill's engagement as financial advisor for the purposes of continuing the Strategic Process and assisting with the Solicitation Process to address the Company's financial and liquidity challenges;

31. Greenhill has extensive experience in matters of this nature;

32. At the Comeback Motion, the Applicant will also seek approval of the Transaction Fee Charge on the Property as security for the Transaction Fee, which charge shall not exceed an aggregate amount of US\$5,600,000;

KERP

33. At the Comeback Motion, Tacora will seek approval of the KERP and authorization to pay the KERP Funds to the Monitor to hold in a segregated account;

34. At the Comeback Motion, the Applicant will also seek approval of the first-ranking priority KERP Charge over the KERP Funds;

Priority of Charges

35. The Initial Order provides that the priority of the Administration Charge, the Directors' Charge and the DIP Charge, as among them and as against the Property, shall be as follows:

First – the Administration Charge (to the maximum amount of US\$1,000,000);

Second – the Directors' Charge (to the maximum amount of US\$4,600,000);

Third – the DIP Charge;

36. The proposed ARIIO provides that the priority of the Charges, as among them and as against the Property other than the KERP Funds, shall be as follows:

First – the Administration Charge (to the maximum amount of US\$1,000,000);

Second – the Directors' Charge (to the maximum amount of US\$5,200,000);

Third – the Transaction Fee Charge (to the maximum amount of US\$5,600,000); and

Fourth – the DIP Charge;

37. At the Comeback Motion, the Applicant will also seek the first-ranking priority KERP Charge over the KERP Funds, with all other Charges ranking subordinate to the KERP Charge as against the KERP Funds in the priorities set out above;

38. The proposed ranking of the Charges is reasonable and appropriate in the circumstances;

39. The Applicant will serve all secured parties who may be affected by the Charges;

Solicitation Process

40. At the Comeback Motion, the Applicant will seek approval of the Solicitation Order and the Solicitation Process;

41. The Solicitation Process is intended to solicit interest in, and opportunities for: (a) one or more sales of all, substantially all, or certain portions of the Property or the Business; or (b) an investment in, restructuring, recapitalization, refinancing or other form of reorganization of Tacora or its Business as a going concern, or a combination thereof;

42. The Solicitation Process contemplates a two-phase bidding process with the following key deadlines (which can be modified pursuant to the terms of the Solicitation Process):

- (a) Phase I Bid Deadline of no later than December 1, 2023 at 12:00 p.m. (EST);
- (b) Phase II Bid Deadline of no later than January 19, 2024 at 12:00 p.m. (EST);
- (c) Approval Motion the week of February 5, 2024; and
- (d) Outside Date for closing of February 23, 2024;

43. Further details on the proposed Solicitation Process will be provided prior to the hearing of the Comeback Motion;

Other Grounds

- (a) The provisions of the CCAA and the inherent and equitable jurisdiction of this Honourable Court;
- (b) Section 97 and 106 of the *Courts of Justice Act*, R.S.O. 1990, c. C-43, as amended;
- (c) Rules 1.04, 2.01, 2.03, 3.02, 14.05, 16 and 37 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended; and
- (d) Such further and other grounds as counsel may advise and this Court may permit.

44. **THE FOLLOWING DOCUMENTARY EVIDENCE** will be used at the hearing of the application:

- (a) The Affidavit of Joe Broking, sworn October 9, 2023, and the Exhibits attached thereto;

- (b) The Affidavit of Chetan Bhandari, sworn October 9, 2023;
- (c) The Consent of FTI to act as Monitor;
- (d) The Pre-Filing Report of FTI; and
- (e) Such further and other documentary evidence as counsel may advise and this Court may permit.

October 9, 2023

STIKEMAN ELLIOTT LLP
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199 Bay Street
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Email: nrambaran@stikeman.com

Philip Yang (LSO #82084O)
Tel: 416-869-5593
Email: pyang@stikeman.com

SCHEDULE "A"

Zoom Videoconference Details

Topic: In the Matter of Tacora Resources Inc.
Date: October 10, 2023 at 11:00 a.m. (Toronto Time)

Join Zoom Meeting

<https://ca01web.zoom.us/j/64172244590?pwd=OHg5VkFZNIRHb3FPdFcxaVY4dnRRZz09>

Meeting ID: 641 7224 4590

Passcode: 708039

One tap mobile

+14388097799,,64172244590#,,,,*708039# Canada

+15873281099,,64172244590#,,,,*708039# Canada

Dial by your location

+1 438 809 7799 Canada

+1 587 328 1099 Canada

+1 613 209 3054 Canada

+1 647 374 4685 Canada

+1 647 558 0588 Canada

+1 778 907 2071 Canada

+1 204 272 7920 Canada

833 955 1088 Canada Toll-free

855 703 8985 Canada Toll-free

Meeting ID: 641 7224 4590

Passcode: 708039

Find your local number: <https://ca01web.zoom.us/u/geA7TImu64>

Join by SIP

64172244590@zmca.us

Join by H.323

69.174.57.160 (Canada Toronto)

65.39.152.160 (Canada Vancouver)

Meeting ID: 641 7224 4590

Passcode: 708039

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C.
1985, c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE
OR ARRANGEMENT OF TACORA RESOURCES INC.

Court File No.

(Applicant)

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

PROCEEDINGS COMMENCED AT TORONTO

NOTICE OF APPLICATION

STIKEMAN ELLIOTT LLP

5300 Commerce Court West
199 Bay Street
Toronto, ON M5L 1B9

Ashley Taylor (LSO #39932E)

Tel: 416-869-5236
Email: ataylor@stikeman.com

Lee Nicholson (LSO #66412I)

Tel: 416-869-5604
Email: leenicholson@stikeman.com

Natasha Rambaran (LSO #80200N)

Tel: 416-869-5504
Email: nrambaran@stikeman.com

Philip Yang (LSO #82084O)

Tel: 416-869-5593
Email: pyang@stikeman.com

Counsel to Tacora Resources Inc.

TAB 2

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
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**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
TACORA RESOURCES INC.**

Applicant

**AFFIDAVIT OF JOE BROKING
(Sworn October 9, 2023)**

I, **JOE BROKING**, of the City of Grand Rapids, in the State of Minnesota, United States of America, MAKE OATH AND SAY:

1. I am the President and Chief Executive Officer of Tacora Resources Inc. ("**Tacora**" or the "**Company**" or the "**Applicant**"). I have been the President and Chief Executive Officer of Tacora since October 2021. Prior to becoming President and Chief Executive Officer, I was Executive Vice President and Chief Financial Officer of Tacora from July 2017 to October 2021. I have also been a member of the Company's board of directors (the "**Board**") since October 2021.

2. Together with other members of management, I am responsible for overseeing the Company's operations, liquidity management and restructuring efforts. As such, I have knowledge of the matters to which I hereinafter depose, except where otherwise stated. I have also reviewed the records, press releases, and public filings of the Company and have spoken with certain of the directors, officers and/or employees of the Company, as necessary. Where I have relied upon such information, I believe such information to be true.

3. All references to currency in this affidavit are references to United States dollars, unless otherwise indicated.

4. This affidavit is sworn in support of the Applicant's application (the "**Application**") to commence proceedings (the "**CCAA Proceedings**") under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"). The Applicant is seeking an initial order (the "**Initial Order**") in the form of the draft order included at Tab 4 of the Application Record:

- (a) declaring that Tacora is a debtor company to which the CCAA applies;
- (b) staying proceedings and remedies taken or that might be taken against or in respect of Tacora, its assets, property, and undertakings (the "**Property**"), its business, or its directors and officers (the "**D&Os**"), except as otherwise set forth in the Initial Order (the "**Stay**"), for an initial period of ten (10) days (the "**Stay Period**");
- (c) granting Tacora continued and uninterrupted access to the Bank Accounts, with the associated banks not having the power to restrict Tacora's rights in any way in respect of the Bank Accounts associated with the Cash Management System (as defined herein);
- (d) appointing FTI Consulting Canada Inc. ("**FTI**" or the "**Proposed Monitor**") as an officer of this Court in these CCAA Proceedings to monitor the assets, business and affairs of Tacora (once appointed in such capacity, the "**Monitor**");
- (e) approving a DIP Facility Term Sheet (the "**DIP Agreement**") entered into by Tacora on October 9, 2023 with Cargill, Incorporated ("**Cargill Inc.**", and in its capacity as the DIP lender, the "**DIP Lender**") pursuant to which the DIP Lender has agreed to advance to Tacora a total amount of up to \$75,000,000 (the "**DIP Facility**"), which will be made available to Tacora during these CCAA Proceedings, of which an initial amount of \$15,500,000 will be advanced to Tacora during the initial 10-day Stay Period (the "**Initial Advance**");
- (f) granting the following priority charges against the Property:
 - i. an "**Administration Charge**" against the Property in the initial amount of \$1,000,000, as security for the payment of the professional fees and disbursements incurred and to be incurred by the Proposed Monitor, counsel to the Proposed Monitor, counsel to the Company, and Greenhill in respect of its monthly advisory fee, in connection with the CCAA Proceedings both before and after the making of the Initial Order;
 - ii. a "**Directors' Charge**" against the Property in the initial amount of \$4,600,000 in favour of Tacora's D&Os as security for the Company's obligation to indemnify such D&Os for obligations and liabilities they may

incur in such capacities after the commencement of the CCAA Proceedings, including with respect to employee vacation pay which may have accrued prior to the commencement of these proceedings, but which may become due and payable after the commencement of these proceedings, except to the extent that such obligation or liability was incurred as a result of a D&O's gross negligence or wilful misconduct; and

- iii. a "**DIP Charge**" against the Property as security for Tacora's obligations under the DIP Agreement.

5. I also swear this affidavit in support of a motion (the "**Comeback Motion**"), which the Company proposes to be heard on or about October 20, 2023, for:

- (a) an amended and restated Initial Order (the "**ARIO**") in the form of the draft order included at Tab 6 of the Application Record:
 - (i) extending the Stay Period until and including February 9, 2024;
 - (ii) authorizing Tacora to borrow up to \$75,000,000 under the DIP Agreement;
 - (iii) approving the engagement letter between Tacora and Greenhill & Co. Canada Ltd. ("**Greenhill**") dated January 23, 2023 (the "**Greenhill Engagement Letter**"), pursuant to which Greenhill has agreed to provide services for, among other things, undertaking a strategic review process to explore, review, and evaluate a broad range of transaction alternatives for the Company;
 - (iv) approving the key employee retention plan (the "**KERP**") and authorizing the Applicant to pay an amount to secure the KERP to the Monitor (the "**KERP Funds**");
 - (v) granting a first-ranking "**KERP Charge**" against the KERP Funds in the amount of \$3,035,000, as security for payments under the KERP; and
 - (vi) granting and/or maintaining the following priority charges (collectively, the "**Charges**") against the Property:

- (A) the Administration Charge in the amount of \$1,000,000;
 - (B) an increase to the Directors' Charge to \$5,200,000; and
 - (C) a "**Transaction Fee Charge**" against the Property in the maximum amount of \$5,600,000, as security for Greenhill's Transaction fee (as defined below), which ranking is set out further below.
- (b) an order (the "**Solicitation Order**") in the form of draft order included at Tab 8 of the Application Record
- (i) approving the sale, investment, and services solicitation process (the "**Solicitation Process**") in a form substantially similar to the form attached as Schedule "A" to the Solicitation Order; and
 - (ii) authorizing Tacora, Greenhill, and the Monitor to immediately commence the Solicitation Process.

I. OVERVIEW

6. Tacora is a private company that is focused on the production and sale of high-grade and quality iron ore products that improve the efficiency and environmental performance of steel making and, subject to final process verification and economic assessment, the development of a high purity manganese product for advanced battery technology. The Company owns and operates the Scully Mine (the "**Scully Mine**"), an iron ore concentrate producer located near Wabush, Newfoundland and Labrador, Canada with a production capacity of six (6) million tonnes per annum ("**Mtpa**"). The Company employs approximately 450 employees. The Company is a critical customer for several businesses in Wabush who provide goods and services to the Company and who in turn, provide employment to the local community.

7. The Scully Mine has a sixty year operating history of producing premium quality iron ore concentrate, however, it was shut down in 2014 by its former owner, Cliffs Natural Resources (now Cleveland-Cliffs Inc.), subsequently put on care and maintenance and sold under CCAA proceedings. Tacora acquired the Scully Mine on July 18, 2017, as part of the court-supervised sale process under the Cliffs CCAA. Following the acquisition, Tacora raised significant capital

and invested heavily in the Scully Mine to restart mining operations and commercial production, which was achieved in 2019 when Tacora was able to ship its first vessel of iron ore concentrate. Today, Tacora is the second largest employer in the Labrador West region and is an important part of the local and provincial economy.

8. Since restarting mining operations in 2019, Tacora has been attempting to ramp up production of iron ore concentrate to nameplate capacity of approximately 6.0 Mtpa. Despite its efforts to achieve a sustainable long-term operation, Tacora has encountered various operational challenges during the ramp up phase, and, since the third quarter of 2022, has been experiencing significant liquidity challenges due to a confluence of factors, including, capital constraints, human resources constraints, equipment failures, difficult capital project execution, various operational issues, high indebtedness and iron ore price volatility.

9. During this period of strained liquidity, Tacora has worked collaboratively with Cargill (as defined below) and an Ad Hoc Group of Senior Noteholders (the “**Ad Hoc Group**”), the Company’s primary secured creditors, to address its liquidity challenges by raising additional capital, deferring various debt obligations and pursuing other initiatives. The Company also commenced a process led by Greenhill to explore various strategic alternatives for the benefit of Tacora and its stakeholders, including potential sale and recapitalization transactions. The strategic process, which is detailed further below, has produced interest from multiple parties but the Company has not been able to implement a viable transaction yet.

10. The current filing and commencement of the CCAA Proceedings stems from Tacora’s need for additional capital to address an imminent liquidity shortfall resulting from the factors described herein as well as the maturity and payment due dates of various debt obligations and the Q2 2023 royalty payment owed to MFC Royalty (described below). The debt obligations include the maturity of obligations under its Advance Payments Facility totaling approximately \$34.7 million on October 10, 2023, \$27.5 million under its Senior Priority Notes, and an interest coupon payment under its Senior Notes totaling approximately \$9.3 million, where the maturity and expiry of the applicable grace respectively occur concurrently with the maturity of the Advance Payments Facility.

11. The CCAA Proceedings will allow Tacora to access the DIP Facility and secure interim financing to ensure the Company can continue to operate the Scully Mine in the ordinary course, preserve the going-concern value of the Scully Mine and complete a strategic process

to execute upon a value-maximizing sale or recapitalization transaction for the benefit of the Company's stakeholders. During the CCAA Proceedings, the safety, health, and continued employment of our valued workforce, as well as Tacora's sound environmental practices will be maintained. Securing the benefit of the Stay and the DIP Facility under the Initial Order is critically important to allow Tacora to maintain its business and operations for the benefit of its creditors, employees, suppliers, and other stakeholders and avoid another shut down of the Scully Mine, which I believe would have a devastating impact on the local community and destroy significant value created by the mine restart. Tacora is a producer of high-quality iron ore needed for green steel production and has a bright future once it addresses its financial issues via these CCAA Proceedings.

II. TACORA

A. Tacora

12. Tacora was initially incorporated pursuant to the *Business Corporations Act* (British Columbia) ("**BCBCA**") on January 12, 2017 under the name "MagGlobal CA Inc.". Tacora subsequently changed its name to "Tacora Resources Inc." on May 16, 2017. On January 13, 2023, the Company was continued from the BCBCA to the *Business Corporations Act* (Ontario). Tacora's registered office is located at 199 Bay Street, 5300 Commerce Court West, Toronto, Ontario. A copy of the corporate profile report for Tacora dated as of September 5, 2023 is attached hereto as **Exhibit "A"**.

13. Tacora's shareholders are a collection of prominent mining investors. A capitalization table showing the Company's ownership on a non-diluted and fully diluted basis is attached hereto as **Exhibit "B"**.

B. Tacora Subsidiaries

14. Tacora has three subsidiaries: (a) Knoll Lake Minerals Limited ("**Knoll Lake**"); (b) Tacora Resources LLC ("**Tacora US**"); and (c) Tacora Norway AS ("**Tacora Norway**" and together with Knoll Lake and Tacora US, the "**Tacora Subsidiaries**"). The Tacora Subsidiaries are based in Canada, the United States and Norway, respectively. None of the Tacora Subsidiaries have material assets or liabilities and, accordingly, the Tacora Subsidiaries are not Applicants in these CCAA Proceedings. A copy of the current organization chart of Tacora and the Tacora Subsidiaries is attached hereto as **Exhibit "C"**.

(i) Knoll Lake

15. Knoll Lake is incorporated pursuant to the *Canada Business Corporations Act*. Knoll Lake is a non-operating subsidiary of Tacora. As part of the acquisition of the Scully Mine in 2017, Tacora acquired approximately 58.2% of the issued and outstanding shares of Knoll Lake. The ownership interest in Knoll Lake relates to a legacy asset that was included as one of several ancillary assets acquired as part of the acquisition of the Scully Mine. The other significant shareholder is 1128349 B.C. Ltd. (the beneficiary of the MFC Royalty described below), who owns approximately 39.5% of the issued and outstanding shares of Knoll Lake.

(ii) Tacora US

16. Tacora US is incorporated pursuant to the laws of the State of Delaware. Tacora US is wholly owned by Tacora. Tacora US does not have any material assets or liabilities.

17. In the ordinary course of business, Tacora does make limited payments to Tacora US to fund certain salaries and wages for certain U.S. based employees and rent for the head-office location in Grand Rapids, Minnesota. Payment is calculated using a cost-plus method. As of the date of this affidavit, there is an intercompany balance related to these transactions between Tacora and Tacora US, such that Tacora is indebted to Tacora US in the approximate amount of \$800,000.

(iii) Tacora Norway

18. Tacora Norway is incorporated under the laws of Norway. On January 13, 2021, Tacora Norway was formed for the purpose of acquiring Sydvaranger Mining AS ("**Sydvaranger**"), which owned a non-operating iron ore open pit, mineral processing plant, and port in Norway (the "**Sydvaranger Mine**").

19. On February 15, 2023, following defaults under certain indebtedness owing by Sydvaranger and certain of its subsidiaries to Orion Resources Partners, OMF Fund II H Ltd. ("**Orion**"), all the issued and outstanding shares in the capital of Sydvaranger were transferred to an affiliate of Orion, as part of Tacora's liquidity preservation efforts.

III. TACORA'S BUSINESS AND OPERATIONS

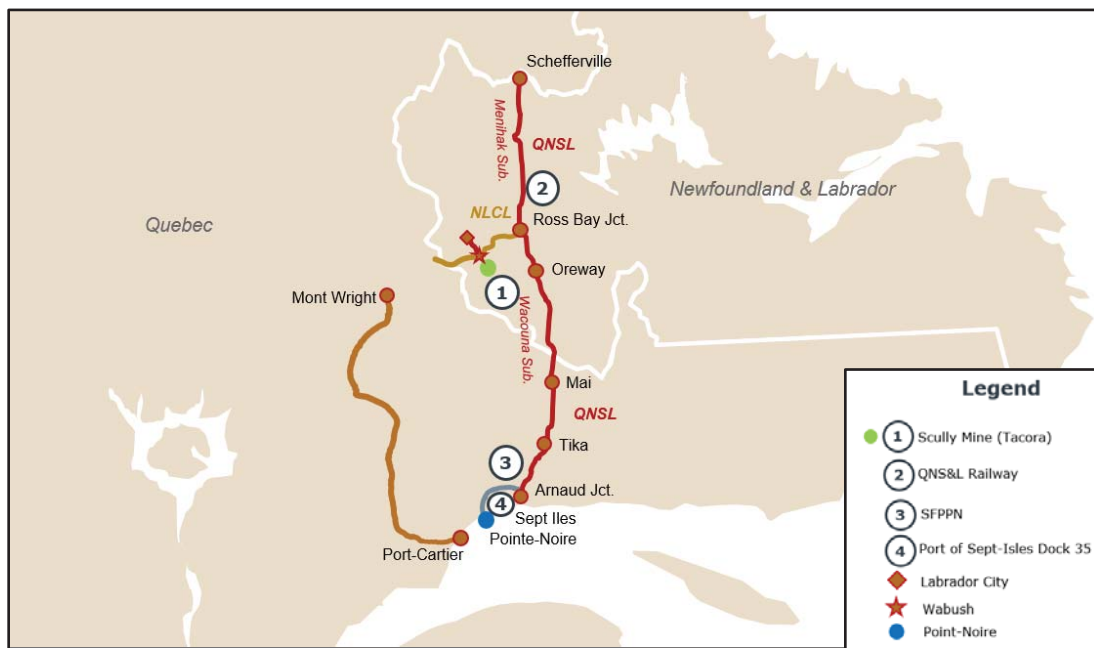
20. The Company's sole mining asset is the Scully Mine, which covers an area of approximately 32 square kilometers in the Labrador iron ore trough. The Scully Mine started operations in 1965 and closed in 2014 due to the shut down and liquidation of the Canadian operations of Cliffs Natural Resources (now Cleveland-Cliffs Inc.) which occurred under CCAA proceedings before the Superior Court of Quebec. Tacora acquired the Scully Mine on July 18, 2017, as part of the court-supervised sale process under the CCAA.

21. During the period where the Scully Mine was in operation up until 2014, it produced between 2.7 and 6 million tons of iron ore concentrate annually. Since the restart of operations in 2019, the Scully Mine produced 3.0 million tonnes in 2020, 3.2 million tonnes in 2021 and 3.1 million tonnes in 2022. The iron ore concentrate produced at the Scully Mine has an average concentrate grade of 65.9% Fe (iron) and low impurities, which is a highly desirable quality product that commands a premium price in the market relative to benchmarks due to its unique characteristics.

22. The Scully Mine is a conventional surface mining operation whereby ore is removed from the earth using drill and blast techniques and subsequently loaded with electric and diesel hydraulic shovels and transported with mining haul trucks. The ore is moved for processing to the Scully Mine plant (the "**Plant**") located on the mine site. At the Plant, the ore is crushed and subsequently subjected to mineral processing techniques to remove waste material and reduce moisture content to achieve high-grade iron ore concentrate for shipping and sale. The Plant at the Scully Mine is shown below.



23. The iron ore concentrate is shipped on a railroad via the Wabush Lake Railway to the Québec North Shore and Labrador Railway (the “**QNS&L Railway**”), which connects to Sept-Îles Junction, located on the St. Lawrence River on Quebec’s north shore. From there, the iron ore concentrate is unloaded in the Port of Pointe-Noire yard (the “**Port**”), and then reclaimed onto vessels and shipped to Europe, the Middle East, and East Asia. The map below displays the transportation of iron ore concentrate from the Scully Mine to the Port.



24. Following Tacora’s acquisition of the Scully Mine and completion of a mining feasibility study, Tacora focused on obtaining the necessary financing to restart the Scully Mine. Tacora was able to raise over \$350,000,000 of debt and equity capital to finance the necessary restart investments at the Scully Mine which included, project detailed engineering, pit dewatering, select upgrades at the Plant, logistics related improvements, a new mining equipment fleet and implementing the necessary operating, product and marketing strategies as discussed further below.

25. On May 25, 2019, the first crude iron ore was delivered to the crusher at the Scully Mine and the first mill was successfully restarted on May 28, 2019. At the end of August 2019, Tacora shipped 69,770 wet metric tons of iron ore concentrate to its first customer in the United Kingdom. Following the restart, Tacora has continued to ramp up production at the Scully Mine

in an effort to achieve nameplate capacity of 6.0 Mtpa.

A. Rail Agreements

26. As set out above, iron ore concentrate is first shipped from the Scully Mine on the Wabush Lake Railway to the QNS&L Railway. The QNS&L Railway is the only rail transportation option available to the Scully Mine for shipping product to the Port near Sept-Îles. The Wabush Lake Railway is owned by Tacora and operated by Western Labrador Rail Services Inc. ("**WLRS**") and the QNS&L Railway is owned and operated by Québec North Shore and Labrador Railway Company, Inc ("**QNS&L**"), a wholly owned subsidiary of the Iron Ore Company of Canada who operates another mine in the Labrador iron ore trough. QNS&L is a common carrier and is a federally regulated railway offering bulk, through-freight, and way-freight rail services on the QNS&L Railway.

27. Tacora is a party to several contracts with WLRS and QNS&L for the transportation of its iron ore concentrate from the Scully Mine to the Port.

28. The primary agreement with WLRS is a railroad operation and maintenance services agreement dated as March 12, 2019 (as amended, the "**WLRS Rail Agreement**"). Pursuant to the WLRS Rail Agreement, WLRS provides Tacora with manpower and railroad services to operate the railroad track owned by Tacora between the Scully Mine and Wabush Lake Junction. The railcars used on this section of railway are rented by Tacora from QNS&L.

29. The primary agreement with QNS&L is a transportation agreement dated as of November 3, 2017 (as amended, the "**QNS&L Rail Agreement**"). The QNS&L Rail Agreement provides that QNS&L will carry iron ore concentrate produced at the Scully Mine on Tacora-supplied railcars between Wabush Lake Junction in Labrador City, Newfoundland and Labrador to the Sept-Îles Junction in Sept-Îles, Québec. Tacora and QNS&L are also party to a locomotive rental agreement dated as of November 8, 2017 pursuant to which QNS&L makes available and leases to Tacora the locomotives used by Tacora for hauling its iron ore concentrate to the Port.

30. Under the QNS&L Rail Agreement, QNS&L hauls a minimum monthly tonnage of iron ore concentrate, ensures available transportation capacity, leads and actively participates in appropriate operations management and coordination procedures between QNS&L and Tacora, and supplies sufficient labour and infrastructure as necessary to provide the rail transportation

services contemplated. The QNS&L Rail Agreement also prescribes various capacity and volume commitments on the part of each of QNS&L and Tacora, and sets forth specific maximum and minimum monthly tonnages of iron ore concentrate that may be tendered for transportation in any month.

B. Port Agreements

31. Société Ferroviaire et Portuaire de Pointe Noire s.e.c. (“**SFPPN**”) operates the Port used by Tacora (which is the multi-user port located in Sept-Îles, Quebec) that provides facilities to unload iron ore concentrate from trains delivered from the QNS&L Railway. The facilities and services provided at the Port include a short line rail, product unloading, material handling, product storage, and a conveyor connection to a dock at the Port utilized by the Company. SFPPN’s conveyor connection to the dock provides the Company with access to large bulk commodity carriers, including up to VLOC bulk vessels, to export the Company’s product.

32. The use of the Port and the provision of services by SFPPN is set out in a long-term operational agreement with an effective date of December 22, 2022 (the “**Port Agreement**”). Pursuant to the Port Agreement, among other things, SFPPN grants Tacora guaranteed access to SFPPN’s equipment, throughput and storage capacity necessary to transport iron ore concentrate to the port infrastructure. The Port Agreement has a term until December 22, 2027, but is renewed automatically for consecutive intervals of one year each until December 31, 2041, unless the parties mutually agree not to continue their relationship.

33. On April 19, 2018, Tacora also executed an assignment of contractual rights agreement with New Millennium Iron Corp. (“**NML**”), pursuant to which NML assigned 6.5 million metric tonnes of NML’s Port capacity with the Sept-Iles Port Authority (the “**Port Authority**”) to Tacora (the “**NML Assignment Agreement**”). The NML Assignment Agreement provided Tacora with additional Port capacity to ship the iron ore concentrate it produces. Accordingly, in November 2018, Tacora and the Port Authority entered into a contract, pursuant to which the Port Authority agreed to reserve Port capacity of 6.5 million metric tonnes of iron ore concentrate per year for Tacora. The Port Authority loads the iron ore concentrate onto the vessels for shipment to Europe, the Middle East, and East Asia.

C. Offtake Agreement & Stockpile Agreement

34. Tacora sells 100% of the iron ore concentrate production at the Scully Mine to Cargill International Trading Pte Ltd. (“**Cargill**”) pursuant to an offtake agreement between Tacora, as seller, and Cargill, as buyer, dated April 5, 2017, and restated on November 9, 2018 (as amended from time to time, the “**Offtake Agreement**”). Pursuant an amendment dated March 2, 2020, the term of the Offtake Agreement was extended to a life of mine contract such that Tacora is required to sell and Cargill is required to buy all iron ore concentrate produced at the Scully Mine while it remains operational. The sale of the iron ore concentrate is also subject to a stockpile agreement between Tacora, as seller, and Cargill, as buyer, dated December 17, 2019 (the “**Stockpile Agreement**”), which works in conjunction with the Offtake Agreement.

35. As set out above, the iron ore concentrate from a stockpile located at the Port is loaded onto vessels that ship the iron ore concentrate to final customers at various locations overseas. The vessels are arranged by Cargill and Cargill markets and sells Tacora’s iron ore concentrate to customers in Europe, the Middle East, and East Asia pursuant to the Offtake Agreement. Due to the high Fe (iron) content, the iron ore concentrate is marketed as high-grade premium blending concentrate that is used to upgrade other commodity grade and sub-commodity grade products, particularly from Australia.

36. Payment by Cargill to Tacora under the Offtake Agreement proceeds in roughly three stages:

- (a) First, by three (3) business days prior to the first laycan (i.e., the first day a vessel may arrive at the terminal port to pick-up iron ore), the provisional purchase price is calculated. Tacora sends an invoice to Cargill once the vessel is loaded at the Port and Cargill pays Tacora for the iron ore concentrate shortly thereafter. While the Stockpile Agreement is effective the provisional price is compared to the average stockpile provisional price that was already paid with a true-up payment paid as appropriate. If the Stockpile Agreement is no longer in force, no true-up payment occurs as no prior payments will have been made for the iron ore concentrate delivered to the stockpile;
- (b) Second, for tonnes on the ocean, Tacora and Cargill calculate and agree on mark-to-market amounts twice a week on Monday and Wednesday based on the average of the last five pricing days for Platts 62% Index, which is a benchmark

index used by S&P Global Commodity Insights and based on standard specifications for iron ore fines (i.e. powders). If the mark-to-market exceeds certain threshold amounts, a Margin Payment is made either to Cargill or Tacora (any payment being a “**Margin Payment**”). In general, Margin Payments are due from Cargill to Tacora if iron ore prices rise from the date of which the vessel is loaded at the Port, and Margin Payments are due to Cargill from Tacora if iron ore prices fall from the date of which the vessel is loaded at the Port; and

- (c) Third, Tacora and Cargill calculate the final purchase price, which is the commodity price, less freight costs plus a profit share. The commodity price is calculated using the arithmetic mean of the Platts 62% Index from the third calendar month after the vessel sails. The freight costs are calculated using the BECI-C3 index (Baltic Exchange Capesize Index for routes from Tubarao, Brazil to Qingdao, China) and other provisions. The profit share (as defined in the Offtake Agreement), which is based on the final sales price for the final customer over a base index (which is the Platts 62% Index). Cargill and Tacora split the Profit Share based on a formula, as outlined in the Offtake Agreement. The final sales price which flows into the profit share is negotiated between Cargill and the final customer based on a third-party contract. Tacora and Cargill determine who is owed a payment in respect of a shipment after the final purchase price can be calculated and compared to the provisional purchase price and true-up sums paid for that shipment.

37. Previously under the Offtake Agreement, Margin Payments were only due if the total mark-to-market amounts owed was over \$5,000,000 in Tacora’s favour or \$7,500,000 in Cargill’s favour. This was amended pursuant to the Second APF Amendment (as defined below) under which the threshold in favour of Cargill was removed and such Margin Payments were satisfied as deemed Margin Advances (as defined below) under the Advance Payments Facility.

38. While the Stockpile Agreement is in place, rather than paying Tacora the provisional purchase price after a vessel is loaded, Cargill will pay Tacora such amount when iron ore concentrate is unloaded to a stockpile at the Port. Pursuant to the Stockpile Agreement, Tacora sends Cargill an invoice at the end of each 7-day period (typically on Monday) for the iron ore concentrate that was delivered to the stockpile during the week prior. Cargill then subsequently would pay Tacora a provisional purchase price within three (3) business days of receiving the

invoice (typically on Wednesday). Pursuant to the Stockpile Agreement, all iron ore concentrate purchased by Cargill becomes Cargill's property at the moment of unloading by Tacora to the stockpile. The Stockpile Agreement provides Tacora with significant working capital while it remains in effect. As result of the Stockpile Agreement, Tacora receives weekly cash receipts, rather than payments only when vessels are loaded, which occurs approximately every 3-4 weeks. While the Stockpile Agreement was initially scheduled to terminate on October 10, 2023, the Company will continue to have the benefit of the Stockpile Agreement during the CCAA Proceedings as a result of the Company entering into the DIP Agreement with Cargill Inc., unless an Event of Default exists under the DIP Agreement.

39. As noted above, Tacora relies on Cargill for 100% of its revenue from the Scully Mine as Cargill purchases all of the iron ore concentrate produced from the Scully Mine and Tacora does not have any other purchasers of iron ore concentrate. It is crucial for Tacora's business that the Company continue to have a source to sell its iron ore concentrate to during the CCAA Proceedings.

D. MFC Royalty

40. On November 17, 2017, Tacora entered into an amendment and restatement of consolidation of mining leases (the "**MFC Royalty**") with 0778539 B.C. Ltd. (formerly, MFC Bancorp Ltd.) ("**MFC**"), pursuant to which the parties agreed to amend and restate a lease which provided Tacora with tenure and mining rights to certain premises constituting the Scully Mine in exchange for an ongoing royalty payment based on production. A copy of the MFC Royalty is attached hereto as **Exhibit "D"**.

41. Pursuant to the MFC Royalty, Tacora is required to pay 1128349 B.C. Ltd. (the beneficiary of the MFC Royalty) 7% of its net revenue (less certain expenses determined in accordance with the calculations set out therein) derived from the sale of its iron ore concentrate. Tacora must pay these amounts on or before the 25th day of January, April, July, and October each year (the "**Quarterly Payments**"). Tacora has made the required Quarterly Payments to MFC other than the payment due July 25, 2023, which totals C\$5,865,004, inclusive of a 20% withholding tax of C\$1,173,000 owed to the Government of Newfoundland & Labrador if and when the payment is made. The MFC Royalty provides for a 30-day grace period before failure to make a Quarterly Payment constitutes a default and an additional 60-day notice period to cure such default before MFC may exercise remedies under the MFC

Royalty. In order to preserve liquidity and maintain operations at the Scully Mine, the Company initially determined it would be prudent to utilize the 30-day grace period. Subsequently, the Company also continued to delay such payment given the limited available liquidity for the Company.

42. On May 19, 2023, MFC commenced arbitration proceedings (the “**MFC Arbitration**”) against Tacora for alleged underestimated Quarterly Payments for the duration of the MFC Royalty. MFC has alleged that the Offtake Agreement does not constitute an “arm’s length, bona fide contract of sale” and accordingly, different provisions apply to the calculation of the Quarterly Payments. The underpayment amount alleged by MFC is “at least” \$2,781,625. The Company vigorously contests this allegation. A tribunal of arbitrators have been appointed to preside over the MFC Arbitration but otherwise the arbitration has not materially advanced. If the MFC Arbitration proceeded in the normal course, it is anticipated that it would take until at least June 2024 before a hearing on the merits.

E. Environmental Matters

43. Tacora maintains the required permits and licenses to conduct the mining activities at the Scully Mine.

44. On September 28, 2017, Tacora prepared and submitted an Environmental Assessment Registration (“**EA Registration**”) to the Government of Newfoundland and Labrador in accordance with the *Newfoundland and Labrador Environmental Protection Act* (Newfoundland and Labrador). The government of Newfoundland and Labrador placed the document on a public notice period, responded to public comments, and released the reactivation project from further environmental assessment on November 21, 2017.

45. Tacora prepared and submitted a reactivation plan, a development plan, a rehabilitation and closure plan and an operating certificate of approval application to the Government of Newfoundland and Labrador that related to environmental and other operational impacts of resuming operations at the Scully Mine. Following completion of a feasibility study, Tacora received approvals in respect of its plans and application from the applicable Government of Newfoundland and Labrador authorities.

46. Pursuant to a Notice of Intention and Direction from the Department of Environment and Climate Change (“**DECC**”) dated July 27, 2023, the Company was made aware of certain Total

Suspended Solids (“TSS”) exceedances at the Scully Mine. The Company has assigned teams to develop and commence an actionable plan to mitigate its TSS exceedances and expects to share its plan with the DECC in due course.

47. I understand that the relevant municipal and provincial government authorities are supportive of Tacora’s efforts to maintain compliance with all environmental requirements. Tacora is not aware of any other material environmental issues at the Scully Mine.

F. Employees

48. Tacora employs approximately 450 people, the majority of whom are full time employees. Tacora employs two (2) people on contract. The employee breakdown is set out below:

	Scully Mine	Head Office
Full Time / Part Time	Full Time: 442	Full Time: 8
Unionized / Non-Unionized	Unionized: 283 Non-Unionized: 181	Unionized: 0 Non-Unionized: 8
Salaried / Contract	Salaried: 166 Hourly: 298	Salaried: 6 Hourly: 2

49. Tacora has 13 US-based employees who primarily work from a head office based in Grand Rapids, Minnesota. These US-based employees have employment contracts with Tacora. However, payroll, payroll tax and corporate income tax filings for these employees are processed through Tacora US. Through the CCAA Proceedings, Tacora will continue to make payments on behalf of Tacora US to fund these amounts.

50. Of the employees, approximately 64% are paid on an hourly basis and approximately 36% are salaried. Approximately 283 of Tacora’s hourly employees are subject to a collective

bargaining agreement (the “**CBA**”) and are represented by the United Steelworkers Local 6285 (the “**USW**”). The current CBA with the USW came into effect on January 11, 2023, and remains in full force and effect until December 31, 2027.

51. Pursuant to the CBA, Tacora contributes five (5) percent of all its employees’ base salary to a group registered retirement savings plan managed by Mercer Planisphere, effective as of November 1, 2017 (the “**Group RRSP**”). In fiscal year 2022, Tacora was responsible to contribute approximately \$1,970,512 to the Group RRSP, which has been fully paid by Tacora. Tacora is responsible to contribute approximately \$3,115,381 to the Group RRSP in fiscal year 2023. As at September 1, 2023, Tacora has contributed \$2,140,381 to the Group RRSP in respect of fiscal year 2023. Payments to the Group RRSP are made following each payroll.

52. Tacora is current in the payment of wages to its employees. Accrued vacation pay as at September 1, 2023, inclusive of accruals, is approximately \$563,369. The accrued vacation pay is broken down as follows: (a) \$22,574 for Canada-based corporate employees; (b) \$134,125 for US-based employees; and (c) \$406,669 for employees at the Scully Mine and Plant.

53. Tacora does not have a registered pension plan.

G. Other Contractors and Consultants

54. Tacora also contracts with various local service providers that make available staff to assist Tacora with its operations on a regular basis. Certain of these contractors have staff at the Scully Mine for each shift worked by regular Tacora employees. Certain of these services providers provide general labour and others perform specialized tasks at the Scully Mine related to repair and maintenance at the Plant.

55. Additionally, in February 2023, Tacora engaged Partners in Performance (“**PIP**”) to initiate an operational stabilization and turnaround program at the Scully Mine for a period of 20 weeks, commencing on February 27, 2023. PIP is a global management consulting firm providing specialized services in the metals and mining industry. PIP has had a dedicated team of individuals that are regularly on-site at the Scully Mine who have been assisting Tacora implement operation initiatives to ramp up production at the Scully Mine and also design a capital plan for required project to achieve the nameplate capacity of 6.0 Mtpa.

56. On July 21, 2023, Tacora entered into another agreement for consulting services with PIP. PIP was engaged for a period of 26 weeks, commencing on July 24, 2023. PIP is currently

providing a team that are regularly on-site at the Scully Mine to continue the operational stabilization and turnaround program and to assist Tacora develop and action a capital project plan to ramp up to 6.0 Mtpa.

57. Tacora intends to continue the engagement with PIP through these CCAA Proceedings.

H. Cash Management

58. Tacora uses a cash management system (the “**Cash Management System**”) in the ordinary course of business to, among other things, collect funds and pay expenses associated with its operations. This Cash Management System provides Tacora with the ability to efficiently and accurately track and control corporate funds and to ensure cash availability.

59. As part of this Cash Management System, Tacora maintains four bank accounts (the “**Bank Accounts**”):

- (a) Bank of Montreal: USD operating account;
- (b) Bank of Montreal: CAD operating account;
- (c) Bank of Montreal: CAD collateral account; and
- (d) JPMorgan Chase: USD operating account.

60. Payments flowing to Tacora pursuant to the Offtake Agreement are received in Tacora’s Bank of Montreal: USD operating account. To the extent payments are required to be made in Canadian dollars, Tacora exchanges such funds at the available rates provided by Bank of Montreal (“**BMO**”) and transfers them to the CAD operating account for disbursement. There are no regular cash sweeps. The collateral account described above previously held funds to secure a corporate credit card line of credit, however, Tacora recently closed such line of credit.

61. The two BMO Bank Accounts used for operational purposes are subject to: (a) a blocked account agreement dated January 9, 2023, entered into between BMO, Tacora and the Notes Trustee (as defined herein); and (b) a blocked account agreement dated January 9, 2023, entered into between BMO, Tacora, the Notes Trustee and Cargill.

IV. TACORA'S FINANCIAL POSITION

A. Financial Statements

62. A copy of Tacora's audited financial statements for the fiscal year ended December 31, 2022, are attached hereto as **Exhibit "E"**.

63. A copy of Tacora's unaudited monthly report for the month ended July 31, 2023, is attached hereto as **Exhibit "F"** (the "**July Balance Sheet**"). The July Balance Sheet is the most recent balance sheet prepared by the Company.

B. Assets

64. As appears from the July Balance Sheet, the assets of Tacora had an unaudited net book value of approximately \$360,660,000 consisting of the following:

Assets	Approximately (\$)
Current assets	
Cash and cash equivalents	12,466,000
Restricted cash, escrow	117,000
Receivables	8,303,000
Inventories	46,684,000
Prepays	10,650,000
<i>Total current assets</i>	<i>78,220,000</i>
Non-current assets	
Mining property, land, plant & equipment	223,286,000
Port prepayments	46,024,000
Deposits	13,136,000
<i>Total non-current assets</i>	<i>282,446,000</i>
Total	360,666,000

B. Liabilities

65. As appears from the July Balance Sheet, the liabilities of Tacora had an unaudited net book value of approximately \$427,545,000 and consisted of the following:

Liabilities	Approximately (\$)
Current liabilities	
Accounts payable	36,989,000
Accrued liabilities	79,984,000
<i>Total current liabilities</i>	<i>116,973,000</i>
Non-current liabilities	
Debt	239,765,000
Lease liabilities	29,041,000
Royalties payable	13,125,000
Deferred tax liability	0
Rehabilitation obligation	28,641,000
<i>Total non-current liabilities</i>	<i>310,572,000</i>
Total	427,545,000

V. TACORA'S INDEBTEDNESS

66. The majority of Tacora's liabilities consist of its debt and lease liabilities, which are described further below.

A. Secured Obligations

67. Tacora has approximately \$298 million in secured debt owing primarily to (a) holders of Senior Notes and Senior Priority Notes (each as defined below) (the "**Senior Noteholders**");

and (b) Cargill in respect of an Advance Payments Facility (as defined below). As described further below, the secured indebtedness shares the same collateral and security package and is subject to an intercreditor agreement between the parties. The secured debt and its respective priority rankings are summarized in the below chart and detailed further below:

	Cargill	Senior Noteholders
<i>First Ranking</i>	\$4,717,648 of Margin Advances and Prepay Advances pursuant to the Advance Payments Facility	\$27,521,634 of Senior Priority Notes
<i>Second Ranking</i>	\$30,000,000 of Initial Advances pursuant to the Advance Payments Facility	\$225,000,000 of Senior Notes in principal and \$9,281,250 in unpaid interest
Total	\$34,717,648	\$261,802,884

68. Copies of personal property security searches in respect of Tacora in Ontario and Newfoundland and Labrador conducted as at August 29, 2023, and September 1, 2023, respectively, are attached hereto as **Exhibits “G” and “H”**.

(i) Senior Notes

69. In May 2021, Tacora issued \$175,000,000 of Senior Notes bearing interest at a rate of 8.25% (the “**Initial Senior Notes**”) pursuant to an indenture (the “**Senior Notes Indenture**”), among Tacora and Wells Fargo Bank, National Association, as trustee and collateral agent for the Initial Senior Notes.

70. In February 2022, Tacora issued an additional \$50,000,000 of Senior Notes bearing interest at a rate of 8.25% (together with the Initial Senior Notes, the “**Senior Notes**”) pursuant to a second supplemental indenture, among Tacora and Computershare Trust Company, N.A., as successor to the initial trustee, and collateral agent for the Senior Notes (the “**Notes Trustee**”).

71. The aggregate principal amount outstanding pursuant to the issued Senior Notes is \$225,000,000. Interest on the Senior Notes is payable semi-annually in arrears on May 15 and November 15 of each year. An interest payment which was originally due May 15, 2023, in the amount of approximately \$9,281,250 remains outstanding under the Senior Notes. As set out further below, the applicable grace period under the Senior Notes Indenture with respect to the interest payment was extended to the earlier of (a) November 3, 2023; or (b) the occurrence of the termination or acceleration of the Advance Payments Facility (which currently is scheduled to occur on October 10, 2023), with the consent of the majority of Senior Noteholders as part of Tacora's liquidity preservation efforts.

72. Tacora's obligations in respect of the Senior Notes are secured by, among other things:

- (a) a general security agreement dated May 11, 2021, executed by Tacora in favour of the Notes Trustee. Pursuant to the agreement, Tacora granted the Notes Trustee security interests in substantially all Tacora's present and after-acquired personal property;
- (b) an assignment of material contracts dated May 11, 2021, executed by Tacora in favour of the Notes Trustee. Pursuant to the agreement, Tacora assigned all its right, title and interest in and to various material contracts to the Notes Trustee;
- (c) a deed of hypothec dated August 3, 2021, executed by Tacora in favour of the Notes Trustee, as amended by a deed of correction dated August 16, 2021, between the same parties. Pursuant to the agreement, Tacora hypothecated all its present and future movable and immovable property to and in favour of the Notes Trustee;
- (d) a share pledge agreement dated August 4, 2021, executed by Tacora in favour of the Notes Trustee. Pursuant to the agreement, Tacora pledged the issued and outstanding shares of Tacora Norway to and in favour of the Notes Trustee; and
- (e) a debenture dated August 9, 2021, executed by Tacora in favour of the Notes Trustee, as amended by a debenture amending agreement dated February 16, 2022. Pursuant to the debenture, Tacora granted a security interest in substantially all its owned real estate holdings to and in favour of the Notes Trustee

(collectively, the “**Senior Notes Security**”).

73. Copies of the above-referenced documents have not been attached to this affidavit given their length. However, copies are available upon request. Further, though a hypothec is registered in Canada, no material portion of the Property is located in Quebec. If the Stockpile Agreement is no longer in effect during the CCAA Proceedings, it is possible that there will be Property in Quebec that arises during the CCAA Proceedings as iron-ore concentrate is unloaded into the stockpile at the Port which will no longer become the property of Cargill.

(ii) Senior Priority Notes

74. As a result of Tacora’s liquidity challenges (which are described in greater detail below), in May 2023, Tacora engaged with the Ad Hoc Group of the Senior Notes to raise additional capital to support the operations of the Company. Tacora and the Notes Trustee entered into an amended and restated base indenture dated May 11, 2023, as supplemented by the first supplemental indenture dated May 11, 2023, and the second supplemental indenture dated May 11, 2023 (collectively, the “**Senior Priority Notes Indenture**”, and together with the Senior Notes Indenture, the “**Note Indentures**”).

75. Pursuant to the Senior Priority Notes Indenture, Tacora issued \$27,000,000 of senior priority notes bearing interest at a rate of 13.00%, with 9.00% being paid via cash and 4.00% being paid via payment-in-kind (the “**Senior Priority Notes**”). Interest on the Senior Priority Notes is to be paid monthly in arrears on the first business day of the month following the month in respect of which interest is being paid.

76. The terms of the Senior Priority Notes were negotiated with the Ad Hoc Group and were sold to certain holders of the Senior Notes for proceeds of \$25,000,000. The Senior Priority Notes are secured by the Senior Notes Security and initially matured upon the earlier of: (a) September 8, 2023; (b) the consummation by Tacora of a restructuring or recapitalization transaction; and (c) maturity or an event of default under certain of Tacora’s other debt and payment obligations. The Senior Priority Notes rank senior to the Senior Notes and the Initial Advances.

77. Initially, the grace period was thirty (30) days before an event of default occurred for non-payment of interest due under the Senior Notes and the Senior Priority Notes (May 15, 2023). However, the Senior Priority Notes Indenture extended the grace period from thirty (30)

to sixty (60) days, such that there would be no event of default under the Senior Notes and Senior Priority Notes for non-payment of interest until July 15, 2023.

78. Tacora entered into a third supplemental indenture dated June 23, 2023 (the “**Third Supplemental Indenture**”) to modify the Note Indentures and to provide for, among other things: (a) the proceeds of indebtedness incurred pursuant to a Senior Secured Hedging Facility (as defined in the Senior Priority Notes Indenture) to be used to fund Tacora’s working capital needs; (b) an increase in the amount of indebtedness and liens with payment priority over the Senior Priority Notes that could be incurred under the Senior Priority Notes Indenture; and (c) a further extension of the grace period before a default in the payment of interest on the Senior Notes and the Senior Priority Notes constitutes an event of default to September 12, 2023 (120 days following the original interest payment date of May 15, 2023).

79. Tacora entered into a fourth supplemental indenture dated September 8, 2023 (the “**Fourth Supplemental Indenture**”) to modify the Note Indentures and to provide for, among other things, an extension to the maturity date under the Senior Priority Notes and a further extension of the grace period before a default in the payment on the Senior Notes to the earlier of (a) November 3, 2023; or (b) the occurrence of the termination or acceleration of the Advance Payments Facility.

80. Copies of the above-referenced documents have not been attached to this affidavit given their length. However, copies are available upon request.

(iii) Advance Payments Facility

81. In or around December 2022, Tacora required additional financing to fund operations through the Company’s liquidity challenges. On January 3, 2023, Tacora, as seller, and Cargill, as buyer, entered into an advance payment facility agreement (as amended from time to time, the “**APF Agreement**”). Pursuant to the APF Agreement, Cargill provided Tacora with an advance payment facility (the “**Advance Payments Facility**”) under which Cargill made advance payments under the Offtake Agreement in the total principal amount of \$30,000,000 (the “**Initial Advances**”) to Tacora. Until termination of the APF Agreement, Cargill is required to continue paying Tacora for iron ore concentrate under the Offtake Agreement and may not credit such deliveries against the outstanding balance of the Advance Payments Facility.

82. The Initial Advances consisted of three components: (a) a deemed advance of \$15,000,000 that was retained by Cargill as consideration for entering into the First Offtake Amendment and guaranteeing a floor price of \$105 per tonne for Platts 62% Index under the Offtake Agreement for 250,000 tonnes per month of volume shipped via vessel from January 2023 to May 2023; (b) an initial advance of \$10,000,000 to fund Tacora's working capital and other expenses which was funded on January 9, 2023; and (c) a subsequent advance of \$5,000,000 which was funded on February 24, 2023. The Initial Advances rank *pari passu* with the Senior Notes and junior to the Senior Priority Notes.

83. The Advance Payments Facility was originally scheduled to be repaid on or before May 1, 2023, with repayment being made, at Cargill's option, either: (a) via weekly deliveries of product in accordance with the Offtake Agreement; or (b) in cash. Tacora and Cargill entered into an amendment to the APF Agreement on April 29, 2023, which, among other things:

- (a) extended the maturity date of the Advance Payments Facility from May 1, 2023 to June 14, 2023;
- (b) provided that the maturity date was automatically further extended to July 14, 2023, if the applicable grace period to make interest payment due May 15 in respect of the Senior Notes was extended for the same timeframe; and
- (c) issued Cargill penny warrants equal to 25% of Tacora's common shares on a fully diluted basis.

84. Subsequently, on May 29, 2023, Tacora and Cargill entered into an Amended and Restated APF Agreement (the "**Second APF Amendment**") to provide Tacora with additional liquidity. The Second APF Amendment provided for a new facility under the Advance Payments Facility whereby Cargill would make margin advances ("**Margin Advances**") of up to \$25,000,000 to Tacora. The Margin Advances were primarily made to finance the Margin Payments, as described above, that may be payable to Cargill under the Offtake Agreement. The outstanding amount of Margin Advances fluctuate daily based on the Platts Index 62% price movement. The Margin Advances rank *pari passu* with the Senior Priority Note and senior to the Senior Notes and the Initial Advances. Pursuant to the Second APF Amendment, the maturity date of the Advance Payments Facility was extended to September 12, 2023.

85. On June 23, 2023, Tacora entered into a further amendment to the APF Agreement (the “**Third APF Amendment**”) to provide greater flexibility to Tacora on utilizing the new margin facility provided by the Second APF Amendment. Under the Third APF Amendment, Cargill, in its sole discretion, could make additional prepay advances (“**Additional Prepay Advances**” and together with the Margin Advances, the “**Senior Priority Advances**”) to Tacora utilizing any availability under the \$25,000,000 facility created by the Second APF Amendment. On June 29, 2023, Cargill made an Additional Prepay Advance in the amount of \$3,000,000. No further Additional Prepay Advances have been made by Cargill and the only Additional Prepay Advance was repaid by Tacora. Additional Prepay Advances are repayable upon demand and rank *pari passu* with the Senior Priority Note and the Margin Advances, and senior to the Senior Notes and the Initial Advances. A copy of the Third APF Amendment, which includes the current version of the APF Agreement is attached hereto as **Exhibit “I”**.

86. In connection with discussions and negotiations between Tacora’s stakeholders regarding a potential consensual recapitalization transaction, as described below, Cargill agreed to extend the maturity date of the Advance Payments Facility from time-to-time, most recently to October 10, 2023.

87. As of the date of this affidavit, there is approximately \$4.7 million of Senior Priority Advances outstanding.

88. Tacora’s obligations (including the Initial Advances, Margin Advances and Additional Prepay Advances) under the APF Agreement are secured with a collateral and security package substantially similar to the Senior Notes Security, including by, among other things:

- (a) a debenture dated January 9, 2023, executed by Tacora in favour of Cargill. Pursuant to the agreement, Tacora granted a security interest in substantially all of its owned real property holdings to and in favour of Cargill;
- (b) a general security agreement dated January 9, 2023, executed by Tacora in favour of Cargill. Pursuant to the agreement, Tacora granted Cargill security interests in substantially all of Tacora’s present and after-acquired personal property;
- (c) an assignment of material contracts dated January 9, 2023, executed by Tacora in favour of Cargill. Pursuant to the agreement, Tacora assigned all its right, title,

and interest in and to various material contracts to Cargill;

- (d) an assignment of insurance dated January 9, 2023, executed by Tacora in favour of Cargill. Pursuant to the agreement, Tacora assigned all its right, title, and interest in and to various insurance policies to which Tacora is a beneficiary of, to Cargill;
- (e) a hypothec on movables dated January 9, 2023, executed by Tacora in favour of Cargill. Pursuant to the agreement, Tacora hypothecated all its present and future movable property to and in favour of Cargill; and
- (f) a share pledge agreement dated January 9, 2023, executed by Tacora in favour of Cargill. Pursuant to the agreement, Tacora pledged a security interest in all the issued and outstanding shares of Tacora Norway to and in favour of Cargill.

89. The various rankings of the obligations set forth above are governed pursuant to an intercreditor agreement dated January 9, 2023 (the “**Initial Intercreditor Agreement**”) and a collateral agency and intercreditor agreement dated May 11, 2023 (the “**Second Intercreditor Agreement**”, and collectively, the “**Intercreditor Agreements**”), each between Tacora, the Notes Trustee and Cargill.

(iv) Caterpillar Equipment Leases

90. On April 15, 2019, Tacora, as lessee, and Caterpillar Financial Services Limited, as lessor (“**Caterpillar**”) entered into a master lease agreement (the “**Caterpillar MLA**”) providing for a lease facility in the maximum amount of \$14,500,000 to finance open pit mining equipment.

91. Pursuant to the Caterpillar MLA, Caterpillar has financed various pieces of mining equipment for use at the Scully Mine. As at July 2023, the capitalized lease obligation owing by Tacora to Caterpillar is approximately \$1,586,997 for mining equipment financed pursuant to the Caterpillar MLA.

92. Further, on April 6, 2023, Tacora provided a deposit in the amount of C\$978,963 to Toromont Industries Ltd. (“**Toromont**”), a dealer for Caterpillar-branded equipment to purchase a Caterpillar 994K wheel loader (the “**Wheel Loader**”) to replace Tacora’s old equipment. Accordingly, Toromont ordered the Wheel Loader on April 6, 2023. The Wheel Loader is expected to arrive in late October 2023.

93. Tacora and Toromont reached an agreement whereby Tacora made weekly payments to Toromont up to July 24, 2023, to cover the required deposit amount of C\$1,957,926.

94. The Wheel Loader is important to the continuing operation of Tacora's business, as Tacora's current piece of equivalent equipment is at the end of its useful life.

95. During the CCAA Proceedings, Tacora will use a portion of the DIP Facility, if approved by this Court, to pay the remaining 80% of the purchase price for the Wheel Loader.

(v) Komatsu Leases

96. Komatsu Financial provided financing to Tacora for the purchase of various Komatsu branded equipment and certain non-Komatsu branded equipment in connection with Tacora's mining operations at the Scully Mine.

97. Each piece of equipment was financed by Komatsu Financial, which Tacora would own after Komatsu Financial was paid in full.

98. As at July 2023, Tacora is indebted to Komatsu Financial in the approximate amount of \$26,132,147 pursuant to the various sales contracts that Tacora has with Komatsu Financial in respect of the financed equipment.

(vi) Sandvik Leases

99. On August 18, 2022, Tacora, as lessee, and Sandvik Canada, Inc. dba Sandvik Financial Services Canada ("**Sandvik**") entered into a master equipment lease agreement (the "**Sandvik MLA**").

100. On August 18, 2022, Tacora and Sandvik entered into various equipment schedules as part of the Sandvik MLA. Pursuant to these equipment schedules to the Sandvik MLA, Sandvik agreed to finance the purchase of various pieces of equipment in connection with Tacora's operations at the Scully Mine.

101. As at July 2023, the capitalized lease obligation owing by Tacora to Sandvik is \$1,363,256 for mining equipment financed pursuant to the Sandvik MLA and equipment schedules thereto.

B. Unsecured Obligations

(i) ACOA Debt

102. On June 15, 2021, Tacora and Atlantic Canada Opportunities Agency (“**ACOA**”) entered into a contribution agreement (the “**First ACOA Agreement**”). The First ACOA Agreement accepted Tacora’s previously submitted application for assistance pursuant to a national innovation program established to provide support to business productivity and scale-up.

103. Pursuant to the First ACOA Agreement, ACOA provided Tacora with C\$500,000 and is required to make principal-only monthly payments in the amount of C\$8,333 starting from April 1, 2022, through March 1, 2027.

104. On March 9, 2022, Tacora and ACOA entered into a second contribution agreement (the “**Second ACOA Agreement**”). The Second ACOA Agreement accepted Tacora’s previously submitted application for assistance pursuant to a national initiative to support regional recovery and stimulus that positioned local economies for long-term growth by transitioning to a green economy, fostering an inclusive recovery, enhancing competitiveness, and creating jobs.

105. Pursuant to the Second ACOA Agreement, ACOA provided Tacora with C\$3,300,000 in funding to support the expansion of the Scully Mining Operation’s manganese reduction circuit from six to eight lines. Tacora is required to make principal-only monthly payments in the amount of C\$27,500 starting July 1, 2023, through June 1, 2033.

106. On February 1, 2023, Tacora and ACOA entered into a third contribution agreement (the “**Third ACOA Agreement**”). The Third ACOA Agreement accepted Tacora’s previously submitted application for assistance pursuant to a national innovation program established to provide support to business productivity and scale-up.

107. Pursuant to the Third ACOA Agreement, ACOA agreed to provide Tacora with C\$1,250,000 in funding to support the assessment, design, and planning for the development of a manganese processing facility. To date, Tacora has received C\$252,103 under the Third ACOA Agreement. To the extent that the Third ACOA Agreement is fully funded, Tacora is required to make principal-only monthly payments in the amount of C\$17,360 starting from January 1, 2025 through December 1, 2030.

108. Tacora’s obligations to ACOA under the First, Second, and Third ACOA Agreements are

unsecured.

(ii) Impact and Benefit Agreement

109. Tacora acknowledges that its operations at the Scully Mine take place on lands which the Innu Nation members have historically used for traditional purposes and lands which are of environmental, cultural, economic, and spiritual importance to the Innu Nation members. On March 21, 2018, Tacora and Innu Nation Inc. (the “**Innu Nation**”) entered into an impact and benefit agreement (the “**IBA**”) to establish a long-term and mutually beneficial relationship between the parties.

110. Pursuant to the terms of the IBA, Tacora makes quarterly payments to the Innu Nation based on the quantum of iron ore concentrate that it ships. Tacora pays the Innu Nation C\$0.10 per tonne of iron ore concentrate shipped up to the point in time as shown on a quarterly cash flow statement when the Scully Mine cumulative cash flow becomes positive, and then C\$0.25 per tonne shipped afterwards.

V. TACORA’S FINANCIAL DIFFICULTIES

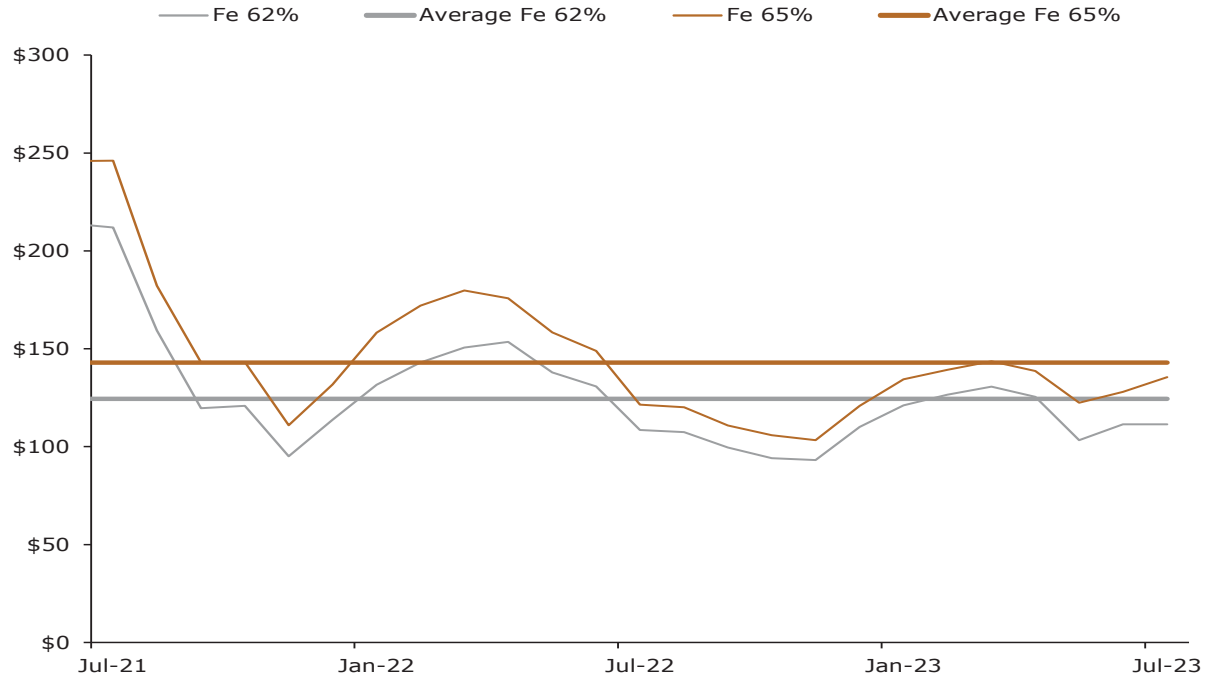
111. Since the successful re-start of operations in 2019, several factors including, capital constraints, human resources constraints, equipment failures, operational challenges and other issues have led to Tacora reaching average production levels of around 3.0 Mtpa from 2020 to 2022, which is well below its name-plate production capacity of 6.0 Mtpa resulting in high operating cash cost per tonne due to the high fixed-cost nature of Tacora’s business.

112. In 2022, Tacora completed three significant capital projects: the Screen Plant, Scavenger Spirals and Manganese Reduction Circuits (together, the “**Big Three Capital Projects**”) which required investment of over \$60 million. The Big Three Capital Projects are critical to ramping up production at the Scully Mine to reach nameplate capacity of 6.0 Mtpa. The Screen Plant was designed to provide for extra milling capacity by separating certain ore that does not requiring milling to be processed. However, upon the Screen Plant becoming operational in August 2022, the Company suffered from extended downtime due to significant operational issues across all facets of the operation. Several design flaws were discovered with the Screen Plant and it required significant attention from management and Plant employees, diverting attention away from required preventative maintenance work throughout the Plant.

113. Tacora also suffered several other operational issues that were not directly related to the Big Three Capital projects resulting in frequent unplanned downtime and lost production. As a result of these operational challenges, production volume of iron ore concentrate was negatively impacted through the balance of 2022 resulting in higher cost of production per tonne. Iron prices also traded down from June 2022 (approximately \$130/tonne) through October 2022 (approximately \$76/tonne) primarily due to Covid-19 restrictions and declining real estate construction activity in China. The lower iron price environment through that period combined with higher operating cost per tonne caused Tacora to operate with negative margins per tonne. Consequently, Tacora's cash on balance sheet declined from \$66 million as of Q2 2022 to \$17 million as of Q3 2022. These challenges placed significant pressure on Tacora's liquidity and as described further herein, Tacora had to raise new capital in order to continue operating.

114. In early 2023, Tacora established a cross-functional task force consisting of dedicated Tacora employees supported by technical experts from Cargill and PIP to initiate an operational stabilization and turnaround program. This program led to Tacora achieving record monthly iron ore concentrate production in March, April and May, resulting in a run-rate annual production of approximately 4.8 Mtpa. However, in June, Tacora's operations were significantly and negatively affected by wildfires in Quebec which forced the QNS&L Railway to temporarily shutdown its rail haulage services. The rail shutdown prevented Tacora from delivering any iron ore concentrate to the Port for the first 10-days of June and only allowed for sporadic deliveries through the balance of the month. This effectively shut off Tacora's ability to earn revenue and generate cash in June. The disruption to the rail service also significantly disrupted the dry-end operations of the Plant which requires a consistent cycling of trains to operate smoothly. The dry-end of the Plant, where moisture is removed from processed iron ore, faced continued operational issues through the month of July and August. In addition, the iron market volatility continued with the Platts 62% Index trending down significantly from approximately \$125 at the beginning of April 2023 to \$99 at the beginning of May 2023.

115. Below is a chart showing the volatility and price decreases of iron ore described above and beginning July 2021 through July 2023, as measured by the Platts 62% Index and the Platts 65% Index.



116. The confluence of issues described above have significantly impacted the Company's liquidity. For over a year, the Company has had to operate with minimal amounts of cash, limiting its ability to continue necessary investments for ramp up of the Scully Mine, and requiring management to expend significant time and effort with various initiatives to obtain short-term financing injections in order to continue operating and assist with the Strategic Process described below.

VI. TACORA'S RESPONSE TO FINANCIAL DIFFICULTIES

A. Liquidity Management Efforts

117. Starting in September 2022, Tacora commenced exploring a variety of options to access additional liquidity and capital for its business to continue operating with the financial difficulties set forth above. On November 11, 2022, Tacora closed an issuance of 15,000,000 Class C Preferred Shares to Cargill for proceeds of \$15,000,000. These funds were primarily used to make the semi-annual interest payment that was due in respect of the Senior Notes on November 15, 2022 and fund the Company's operations.

118. Subsequently, facing a difficult liquidity situation at 2022 year-end, Tacora negotiated and entered into the APF Agreement with Cargill on January 3, 2023 (the details of which are described above) and the initial funding closed January 9, 2023. The Advance Payments Facility, which provided the Company with critical liquidity to keep operating, initially matured on May 1, 2023 (shortly before the May 15 due date for the next interest payment in respect of the Senior Notes). In conjunction with the Advance Payments Facility or shortly thereafter, the Company also commenced various other efforts to preserve liquidity and value for stakeholders, which included:

- (a) Engaging Greenhill and commencing the Strategic Process (as defined below);
- (b) Negotiating amendments to the Port Agreement and Railway Agreement with SFPPN and QSN&L, respectively, which addressed payment timing to preserve additional liquidity for the Company;
- (c) Transferring Sydvaranger, a former subsidiary of Tacora Norway, to Orion as Tacora had previously been funding approximately \$500,000 per month to fund care and maintenance expenses at the Sydvaranger Mine and the project economics had been negatively impacted due to higher than expected capital expenditures and the decline in iron ore prices and it was unlikely Tacora would have been able to achieve the required funding was necessary to avoid defaults under the royalty agreement with Orion; and
- (d) Engaging PIP, a mining operations consultant, to assist with operational turnaround and efficiency initiatives at the Scully Mine.

119. In April 2023, the Company negotiated an extension of the maturity of the Advance Payments Facility with Cargill and also commenced discussions with the Ad Hoc Group to provide additional financing and payment deferrals to the Company. The need for additional liquidity was exacerbated by the fall in iron ore prices in April and May. During this period, the Company determined it was prudent to not make the interest payment under the Senior Notes Indenture due on May 15, 2023, given the liquidity situation and ongoing discussions with the Ad Hoc Group.

120. In May 2023, with the support of the Ad Hoc Group, the Company commenced a consent solicitation to amend the Senior Notes Indenture to, among other things, (a) permit the

issuance of the Senior Priority Notes on a senior basis to the existing Senior Notes; (b) extend the interest grace period under the Senior Notes Indenture to sixty (60) days which allowed the Company to continue deferring the May 15 interest payment without an event of default until July 15; and (c) create a new basket under the Senior Notes Indenture to permit the new Senior Secured Hedging Facility (as defined in the Note Indentures) of up to \$25 million that would rank *pari passu* with the Senior Priority Notes. Over 90% of the Senior Noteholders consented to the proposed amendments and the Senior Note Indenture was amended as a result. On May 11, 2023, the Ad Hoc Group purchased \$27,000,000 of Senior Priority Notes immediately following closing of the consent solicitation which provided the Company with additional liquidity.

121. On May 29, 2023, Tacora utilized the new basket available under the Notes Indentures to enter into the Second APF Amendment with Cargill to provide for \$25,000,000 of Margin Advances that funded Margin Payments under the Offtake Agreement and replaced a limited \$7,500,000 line of credit existing under the Offtake Agreement while any Margin Advances or Additional Prepay Advances were outstanding.

122. On June 20, 2023, Tacora commenced another consent solicitation with support from the Ad Hoc Group to further amend the Note Indentures to include the modifications contemplated by the Third Supplemental Indenture, which included, among other things: (a) permitting proceeds of indebtedness incurred pursuant to the Senior Secured Hedging Facility to be used to fund Tacora's working capital needs, rather than only funding Margin Payments under the Offtake Agreement; and (b) an extension of the interest grace period to 120 days which would allow the continued deferral of the May 15 interest payment until September 12, 2023. On June 23, 2023, the consent solicitation successfully closed and the Company and Cargill concurrently effected the Third APF Amendment to permit the Additional Prepay Advances. On June 29, 2023, Cargill advanced \$3,000,000 to the Company as an Additional Prepay Advance. This additional liquidity provided by Cargill was necessary for the Company to continue operating with the challenges created by the Quebec wildfires.

123. On September 6, 2023, in an effort to further discussions between Tacora's stakeholders on a consensual recapitalization transaction, Tacora commenced another consent solicitation with support from the Ad Hoc Group to further amend the Note Indentures to include the modifications contemplated by the Fourth Supplemental Indenture, which included, among other things: an extension to the maturity date under the Senior Priority Notes and a further extension of the grace period before a default in the payment on the Senior Notes and the Senior Priority

Notes constitutes an event of default to the earlier of (a) November 3, 2023; or (b) the occurrence of the termination or acceleration of the Advance Payments Facility. The additional time provided the Company with additional time to discuss with its secured creditors and another potential investor regarding a potential recapitalization transaction. On September 8, 2023, the consent solicitation successfully closed with 100% consent of holders of Senior Priority Notes and consent of holders representing over 91% of the principal amount of the Senior Notes.

124. The Company also pursued other initiatives in response to the Quebec wildfires, which included:

- (a) Negotiating further payment deferrals with SFPPN and QSN&L;
- (b) Negotiating payment holidays in respect of their leases with Komatsu; and
- (c) Negotiating deferment of tax and capital works payments owed to the Town of Wabush pursuant to a grant-in-lieu of taxes.

125. Subsequently, to further enhance the Company's liquidity position in the face of continued negative cash flow, Cargill and the Company entered into a Wetcon Purchase and Sale Agreement (the "**Wetcon Agreement**") dated July 10, 2023, whereby Cargill agreed to purchase a stockpile of 172,000 tonnes of wet concentrate from Tacora, located at the Scully Mine. Pursuant to the Wetcon Agreement, Cargill could make an upfront payment of \$5,000,000 to Tacora for 117,000 tonnes of wet concentrate. Payment of the remaining \$2,300,000 is due to Tacora upon conversion and shipment of the remaining 55,000 tonnes of wet concentrate. The Wetcon Agreement also provides an option for Cargill to purchase up to an additional 53,000 tonnes of wet concentrate (for a total of 225,000 tonnes) as an additional deferred amount and contemplates that any additional wet concentrate added to the stockpile purchased by Cargill automatically becomes the property of Cargill. The Wetcon Agreement confirmed that the Stockpile Purchase Agreement would terminate on the earlier of September 12, 2023, or an event of default and acceleration of the Advance Payments Facility. The Stockpile Purchase Agreement termination date was subsequently extended on numerous occasions and most recently to October 10, 2023. As at September 4, 2023, there were approximately 194,741 tonnes of wet concentrate at the Wetcon stockpile (the "**September 4 Wetcon Amount**").

126. On September 12, 2023, as part of the discussions between Tacora's stakeholders and to assist the liquidity of the Company, the Wetcon Agreement was amended to provide that Cargill would make payment of \$3,954,171.43 in full and final satisfaction of all deferred amounts owing by Cargill to Tacora under the Wetcon Agreement in respect of the September 4 Wetcon Amount.

B. Strategic Process

127. As described above, on January 23, 2023, Tacora engaged Greenhill to assist with a strategic review process to explore, review, and evaluate a broad range of alternatives for the Company, including sale opportunities or additional investment into Tacora (the "**Strategic Process**"). Greenhill also assisted the Company with the various capital raises described above to improve the Company's liquidity position.

128. Commencing in March 2023, Greenhill reached out to 31 financial and strategic parties in connection with a potential sale or financing transaction. Numerous parties executed confidentiality agreements with the Company and Greenhill and the Company facilitated due diligence for parties interested in the opportunity. The Company subsequently received several letters of intent and term sheets in respect of potential transactions. The Company executed a letter of intent for a sale of the Company and facilitated advanced due diligence for the party. However, recently, the interested party advised it was no longer interested in advancing the transaction completed by its letter of intent.

129. Most recently in the Strategic Process, Cargill, the Senior Noteholders and another party engaged in significant, advanced discussions regarding a consensual restructuring and recapitalization transaction to address Tacora's liquidity issues, over leveraged capital structure, and need for additional investment to achieve nameplate capacity of 6.0 Mtpa. The Company understood that an agreement in principle was reached between the parties in mid-September, however, following advanced discussions on a binding agreement and the Company's best efforts to encourage a consensual resolution, the parties were unable to reach agreement that would avoid the need to file for protection under the CCAA.

130. In these CCAA Proceedings, the Company intends to continue the Strategic Process, with the assistance of Greenhill, and will seek to have a Solicitation Process, in the form included in the Application Record, approved at the Comeback Motion. The proposed Solicitation Process was designed by the Company, in consultation with Greenhill, its legal

advisors, and FTI in its capacity as Proposed Monitor. The Company expects to provide further evidence regarding the proposed Solicitation Process prior to the Comeback Motion. The Solicitation Process will solicit bids in connection with potential sale or recapitalization transactions. The Solicitation Process will also contemplate that interested parties will be informed that they will be able to assume the Offtake Agreement or pair with other offtake partners as a financing source for their proposed sale or recapitalization transaction.

C. Need for CCAA Protection

131. Despite the capital previously raised by the Company, as described above, Tacora is facing another imminent liquidity crisis. Tacora is unable to fund its obligations generally as they come due. In addition, the APF Agreement is set to terminate on October 10, 2023, which will trigger the maturity of the Senior Priority Notes and the Senior Notes.

132. As set out in the cash flow projection (the “**Cash Flow Forecast**”) that was prepared by the Company and reviewed by the Proposed Monitor for the period from the date of filing to March 1, 2024, a copy of which is attached hereto as **Exhibit “J”**, Tacora will have a negative cash balance for the week beginning October 15, 2023. As is clear from the Cash Flow Forecast, Tacora critically needs interim financing (including prior to the Comeback Motion) to continue operating in the ordinary course and to fund these CCAA Proceedings.

133. In addition to the liquidity constraints of the business, as described above, Tacora also has several imminent debt maturities and scheduled interest payments that it will not be able to satisfy. In particular, the following amounts become due within the next week:

- (a) Approximately \$34.7 million in respect of the Advance Payments Facility, including the Initial Advances and Margin Advances, which is due October 10, 2023;
- (b) Approximately \$27.5 million plus accrued interest in respect of the Senior Priority Notes, which, pursuant to the Fourth Supplemental Indenture, will be due on the occurrence of the termination or acceleration of the Advance Payments Facility (which is due on October 10, 2023)¹; and

¹ Prior to the Fourth Supplemental Indenture entered into on September 8, 2023, the Senior Priority Notes matured on September 8, 2023.

- (c) Approximately \$9.2 million in respect of unpaid interest on the Senior Notes, where, pursuant to the Fourth Supplemental Indenture, the applicable grace period expires on the occurrence of the termination or acceleration of the Advance Payments Facility (which is due on October 10, 2023).²

134. In anticipation of the Company's liquidity issues and impending debt maturities and interest payments, Greenhill commenced a solicitation process to obtain debtor-in-possession ("DIP") financing on behalf of Tacora on August 14, 2023 (the "DIP Process"). Following the DIP Process and extensive arm's length negotiations to achieve the best terms possible in the circumstances, the Company selected Cargill Inc.'s proposal as the best available option and the parties worked to substantially finalize an agreement. I understand that a representative from Greenhill is swearing an affidavit to provide details on the DIP Process.

135. On October 9, 2023, Tacora entered into the DIP Agreement with Cargill Inc. A copy of the DIP Agreement (without schedules) is attached hereto as **Exhibit "K"**.

136. The primary terms of the DIP Agreement are summarized immediately below:

Summary of Key Terms of the DIP Agreement	
DIP Lender	Cargill, Incorporated
Maximum DIP Facility Amount	\$75,000,000 <u>Permitted Uses</u> <ul style="list-style-type: none"> • Pay the reasonable and documented professional and advisory fees and expenses (including legal and fees and expenses) of Tacora and the Monitor; • Pay the reasonable and documented DIP Lender Expenses; • Pay the interest, fees and other amounts owing to the DIP Lender under the DIP Agreement; and • Fund, in accordance with the DIP budget, Tacora's funding requirements during the CCAA Proceedings.
Funding/Availability	Initial Advance – \$15,500,000 Subsequent Advances – Bi-weekly advances of no less than \$1,000,000, with amounts determined based on the funding needs of Tacora as set forth in the DIP budget.

² Prior to the Fourth Supplemental Indenture entered into on September 8, 2023, the applicable grace period before an event of default occurred for unpaid interest on the Senior Notes was September 8, 2023.

Interest	<p>Interest is payable on all amounts drawn under the DIP Facility at a rate of 10% per annum in cash.</p> <p>Interest on all advances under the DIP Facility are calculated and compounded on a monthly basis on the principal amount of such advances and any overdue interest remaining unpaid.</p>
Fees	<p>Tacora is required to pay an exit fee in an amount equal to 3% of the maximum availability of \$75,000,000 to the DIP Lender (the “Exit Fee”) as compensation for the DIP Lender’s commitment to provide DIP financing to Tacora.</p> <p>The Exit Fee is payable upon the earlier of (a) completion of a successful Restructuring Transaction (as defined below); and (b) the indefeasible repayment in full of the DIP Facility and all other obligations of Tacora under the DIP Agreement and/or cancellation of all remaining commitments in respect thereof.</p> <p>The Exit Fee is only earned upon the Court issuing the ARIO.</p>
Security	<p>Priority DIP Charge ranking senior to all encumbrances, except:</p> <ul style="list-style-type: none"> • Priority payables; • Other Charges; and • Liens in favour of secured parties that did not receive notice.
Permitted Variance (vs DIP Budget)	<p>Up to 15% relative to the aggregate disbursements (excluding the DIP Lender Expenses (as defined in the DIP Agreement)) on a cumulative basis since the beginning of the period covered by the applicable DIP budget.</p>
Maturity	<p>The earlier of:</p> <ul style="list-style-type: none"> • October 10, 2024; • Closing of any restructuring, financing, refinancing, recapitalization, sale, liquidation, workout, plan of compromise or arrangement in accordance with the CCAA or other material transaction of, or in respect of, Tacora or all or substantially all of Tacora’s business, assets, or obligations (collectively, “Restructuring Transactions”); • Date on which Tacora’s obligations under the DIP Agreement are voluntarily prepaid in full and the DIP Facility is terminated; • Conversion of the CCAA Proceedings into a proceeding under the <i>Bankruptcy and Insolvency Act</i>, R.S.C., 1985, c. B-3 (as

	<p>amended); and</p> <ul style="list-style-type: none"> • Occurrence of any event of default under the DIP Agreement that has not been cured.
Milestones	<p>Tacora is permitted to pursue a Solicitation Process approved by the Court with the following milestones, which may be extended by Tacora in accordance with the proposed Solicitation Order:</p> <ul style="list-style-type: none"> • The deadline for the receipt of non-binding letters of intent: (a) for potential Restructuring Transactions; and/or (b) to provide Tacora with an offtake, services or other agreement in respect of the Tacora's business, must be no later than December 1, 2023; • Final deadline for the receipt of binding bids: (a) for potential Restructuring Transactions; and/or (b) to provide Tacora with an offtake, services or other agreement in respect of Tacora's business, must be no later than January 19, 2024 (the "Bid Deadline"); and • Closing of transaction(s) for potential Restructuring Transactions; and/or (b) in respect of an offtake, services or other agreement in respect of the Tacora's business, must occur no later than February 29, 2024.
Other Provisions	<p>Unless an Event of Default then exists, Cargill Inc. shall cause Cargill to continue to make the deemed Margin Advances under section 2.2 of the APF Agreement to fund any Margin Amounts (as defined therein) required to be funded from and after the Initial Order and all such Margin Advances shall be secured by the DIP Charge.</p> <p>Unless an Event of Default then exists, Cargill Inc. shall cause Cargill to (a) continue to provide Tacora with the services of a full time operational consultant and two (2) part-time capital project consultants, in a manner consistent with past practice, to assist with Tacora's business and operations (the "Existing Services"); and (b) provide other services (including consulting or advisory services or technical support) whether provided through third parties or by employees of Cargill that may be agreed by Tacora and Cargill from time to time, with consent of the Monitor (the "Additional Services", and together with the Existing Services, collectively, the "Services").</p> <p>The Existing Services shall continue to be provided at no cost, consistent with past practice and the cost of the Additional Services shall be mutually agreed, with the consent of the Monitor.</p> <p>Provided that no Event of Default has occurred, Cargill Inc. shall cause Cargill to: (a) extend the term of the Stockpile Agreement to the maturity date under the DIP Agreement; (b) continue to perform its</p>

	<p>obligations under the Offtake Agreement; and (c) continue to honour and perform in respect of any existing side letters entered into between Tacora and Cargill in respect of hedges for the sale and purchase of iron ore under the Offtake Agreement.</p> <p>Among others, the occurrence of the following event shall constitute an Event of Default under the DIP Agreement:</p> <ul style="list-style-type: none"> • The termination, suspension or disclaimer of the Existing Arrangements (as defined in the DIP Agreement), or the taking of any steps to terminate, suspend or disclaim (if permitted under the CCAA) any of the Existing Arrangements (which, for greater certainty, shall not include (a) the commencement and prosecution of the Solicitation Process, including the solicitation of an alternative offtake or service agreement, or (b) taking any step or related action pursuant to a binding agreement entered into in respect of a Restructuring Transaction at or after the Bid Deadline, including executing such agreement, seeking court approval of such binding agreement or taking any steps in connection with consummating the Restructuring Transaction pursuant to such binding agreement) in each case at or after the Bid Deadline, without prejudice to any rights that Cargill may have pursuant to section 32 (including subsection 32(9)(c)) of the CCAA or otherwise.
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137. The DIP Agreement is subject to customary covenants, events of default, conditions precedent, and representations and warranties made by the Applicant to the DIP Lenders. This includes, among other things, this Court approving a DIP Charge securing all obligations of the Applicant under or in connection with the DIP Agreement.

VII. THE PROPOSED INITIAL ORDER & ARIO

A. Stay of Proceedings

138. As set out above, without the requested Stay and approval of the DIP Agreement (as defined below), the Applicant will be in default of its secured obligations and will face a liquidity crisis such that it will be unable to meet its liabilities as they become due.

139. The Applicant urgently requires the Stay to protect the value of its business which will allow it to:

- (a) obtain the funding necessary to continue operations;

- (b) concurrently explore potential strategic alternatives, including:
 - (i) additional financing or refinancing;
 - (ii) a sale, investment, and services solicitation process for part, all or substantially all of its assets; and
 - (iii) continue negotiations with stakeholders.

140. As set out in the Cash Flow Projection, with the funds to be advanced under the DIP Agreement, the Applicant expects to have sufficient cash to fund its projected operating costs during these CCAA Proceedings.

141. The Applicant therefore requests the Stay for an initial period of ten days, and, if granted by this Court, the Applicant will subsequently request an extension of the Stay Period until and including February 9, 2024 at the Comeback Motion.

B. Continued Access to Cash Management System

142. The Applicant's continued and uninterrupted access to the Cash Management System and the bank accounts associated thereunder are critical to the Applicant's ongoing business. If the Applicant's access to its bank accounts is blocked or restricted, the Applicant will not be able to operate in the normal course.

143. The Applicant therefore requests that it be granted continued access with full authority to manage its bank accounts associated with the Cash Management System, and that neither Bank of Montreal nor JPMorgan Chase will restrict the Applicant's rights in any way in respect of the bank accounts associated with the Cash Management System.

C. Appointment of FTI as Monitor

144. FTI has consented to act as the Monitor of the Applicant, subject to Court approval. FTI has retained Cassels Brock & Blackwell LLP as its counsel. A copy of FTI's consent to act is attached hereto as **Exhibit "L"**.

145. I am advised by the Applicant's legal counsel that FTI is a trustee within the meaning of section 2 of the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3 (as amended) and is not subject to any of the restrictions on who may be appointed as monitor set out in section 11.7(2)

of the CCAA.

146. I understand that FTI has extensive experience in matters of this nature and is therefore well suited to this mandate.

147. FTI is familiar with the assets and operations of Tacora and its key suppliers as it was the Monitor in the Cliffs CCAA proceedings where the Scully Mine was acquired by Tacora. FTI was also previously engaged by Tacora in connection with cash flow forecasting and liquidity enhancement initiatives.

148. FTI has provided no accounting or auditing advice to the Applicant. Fees payable to FTI pursuant to its engagement letter are based on hours worked multiplied by normal hourly rates. FTI is not entitled to any success-based or other contingency-based fee with respect to any of the services provided.

149. I am advised by Nigel Meakin of FTI that the Proposed Monitor is supportive of the relief sought by Tacora in the Initial Order, as described in this affidavit. Mr. Meakin has also advised me that the Proposed Monitor will be filing a pre-filing Monitor's report in respect of such relief.

D. Approval of Greenhill Engagement and Transaction Charge

150. As set out above, Tacora engaged Greenhill to assist with initiating a strategic review process to explore, review, and evaluate a broad range of alternatives focused on ensuring its financial liquidity. A copy of the Greenhill Engagement Letter is attached hereto as **Exhibit "M"**.

151. Pursuant to the Greenhill Engagement Letter, commencing as of May 1, 2023, Greenhill is to be paid a monthly financial advisory fee of \$125,000 per month in connection with its services in continuing to assist Tacora with pursuing an actionable refinancing or sale transaction. In addition to the monthly fee, the Greenhill Engagement Letter also provides for the payment of certain fees in the event that a successful transaction involving Tacora is implemented. The Greenhill Engagement Letter contemplates that a number of different fees could apply depending on the type of transaction effected.

152. The M&A Fee with respect to any M&A Transaction (each as defined in the Greenhill Engagement Letter) is a function of the transaction value multiplied by the applicable transaction fee percentage. Pursuant to the Greenhill Engagement Letter, Greenhill will be paid the following fees in the event of a successful transaction involving Tacora:

- (a) \$2,500,000, if the transaction value is \$200,000,000 or lower;
- (b) between \$2,500,000 and \$3,750,000, if the transaction value is between \$200,000,000 and \$500,000,000; and
- (c) 0.75% if the transaction value is \$500,000,000 or higher (which represents a minimum of \$3,750,000).

153. If Tacora completes a Restructuring Transaction, pursuant to the Greenhill Engagement Letter Greenhill will be paid a Restructuring Transaction Fee (each as defined in the Greenhill Engagement Letter) equal to 1.00% of the aggregate value of the Senior Priority Notes and 0.50% of the face value of the Senior Priority Advances, subject to a minimum payment of \$2,000,000.

154. Pursuant to the Greenhill Engagement Letter, Greenhill will be paid the following Financing Fees (as defined in the Greenhill Engagement Letter, and together with the M&A Fee or the Restructuring Transaction Fee, the "**Transaction Fee**") if the Company raises new capital:

- (a) 1.00% of the face amount of any senior secured debt raised, including without limitation, any DIP financing raised;
- (b) 2.00% of the face amount of any junior secured debt raised;
- (c) 3.00% of the face amount of any unsecured or subordinated debt raised;
- (d) 4.00% of any hybrid capital raised; and
- (e) 5.00% of any equity capital or capital convertible into equity raised, including, without limitation, equity underlying any warrants, purchase rights or similar contingent equity securities.

155. At the Comeback Motion, in order to secure the Transaction Fee, Tacora will seek approval of the Transaction Fee Charge over the Property to the maximum amount of \$5,600,000. The Transaction Fee is proposed to rank ahead of the DIP Charge.

156. I believe the granting of the Transaction Fee Charge is appropriate in the circumstances, as Greenhill has worked extensively with Tacora since its initial engagement in January 2023,

has worked diligently in soliciting proposals from several potential investors, and its continued involvement will be critical to the successful completion of a transaction as part of the CCAA Proceedings that will maximize value for all of Tacora's stakeholders.

E. KERP

157. At the Comeback Motion, Tacora will seek approval of the KERP and the related KERP Charge. Prior to the Comeback Motion, the Applicant will provide further details regarding the proposed KERP. The DIP Lender has agreed to a KERP of up to \$3,035,000 for the Company's key employees (the "**Key Employees**").

158. If a KERP is not approved, I believe it is likely that certain Key Employees will pursue other employment options. In particular, skilled labour is critical to the operation of the Scully Mine and there is already a shortage of skilled labour in Wabush, Newfoundland and Labrador and the surrounding area. There are other mining operations which are relatively close to the Scully Mine and I believe Key Employees who provide skilled labour will easily secure employment with these nearby mining operations.

159. Additionally, finding alternative, qualified individuals will be challenging, disruptive, costly, and time consuming for the Applicant, particularly given the Key Employees' institutional knowledge related to the business. I also believe that the Key Employees will be critical to operational success for the business of the Company through these CCAA Proceedings. Additionally, the Key Employees will be critical to advancing the proposed sale and investment solicitation process, and such Key Employees will be required in responding to due diligence requests related to Tacora and its business.

160. The proposed ARIO contemplates that the Applicant will be authorized to pay the KERP Funds to the Monitor and the KERP Charge will rank first on such KERP Funds.

F. Administration Charge

161. The Applicant seeks the Administration Charge on the Property in the maximum amount of \$1,000,000 to secure the fees and disbursements incurred in connection with services rendered to the Applicant, both before and after the commencement of the CCAA Proceedings by:

- (a) The Monitor and its counsel, Cassels Brock & Blackwell LLP;

- (b) Stikeman Elliott LLP, McInnes Cooper and Davis Polk & Wardwell LLP, the Applicant's counsel; and
- (c) Greenhill in respect of its Monthly Advisory Fee (as defined in the Greenhill Engagement Letter).

162. The Administration Charge is proposed to rank in priority to all other security interests, claims of secured creditors, trusts, liens, charges and encumbrances, statutory or otherwise in favour of any person, other than a person who has not received notice of the Application (the "**Encumbrances**").

163. Tacora requires the expertise, knowledge, and continued participation of the proposed beneficiaries of the Administration Charge during these CCAA proceedings in order to complete a successful restructuring. Each of the beneficiaries of the Administration Charge will have distinct roles in the Applicant's restructuring.

164. Tacora has worked with the Proposed Monitor to estimate the proposed quantum of the Administration Charge. I am advised that the Proposed Monitor believes that the Administration Charge is reasonable and appropriate in the circumstances, given the services to be provided by the beneficiaries of the Administration Charge and the complexities of the CCAA Proceeding

G. DIP Facility and DIP Charge

165. As set out above, Tacora critically needs interim financing (including prior to the Comeback Motion). Accordingly, Tacora entered into the DIP Agreement with the DIP Lender.

166. Within the initial Stay Period, Tacora is requesting authority to draw up to a maximum amount of \$15,500,000 under the DIP Agreement. As shown in the Cash Flow Forecast, given Tacora's liquidity situation, the Company will require this Initial Advance under the DIP Agreement to continue operating in the ordinary course within the initial Stay Period. The Company is highly sensitive to potential production issues at the Plant and/or iron ore price movements, which are highly volatile. Accordingly, to ensure the Company is able to continue operating in the ordinary course, it requires additional funding for contingency items and sufficient minimum liquidity amounts.

167. The DIP Charge is proposed to rank behind all the other Charges. The DIP Charge will also secure (a) post-filing credit extensions from Cargill related to post-filing Margin Advances

under the Advance Payments Facility; and (b) post-filing Services, in the principal amount of \$20,000,000.

168. At the Comeback Motion, Tacora will request authority to draw up to the maximum amount permitted under the DIP Agreement, being \$75,000,000.

169. The Proposed Monitor has advised that it is supportive of the approval of the DIP Agreement and DIP Charge.

170. Accordingly, I believe that it is appropriate in the circumstances for this Court to approve the DIP Agreement and the DIP Charge.

H. Directors' Charge

171. To ensure the ongoing stability of the Company's business during the CCAA Proceedings, the Applicant requires the active and committed involvement of its D&Os. The D&Os have indicated, however, that due to the potential personal exposure associated with certain Company liabilities where D&Os may be liable, they cannot continue their service with the Applicant unless the Initial Order grants them certain protections commonly granted to directors and officers of companies involved in CCAA proceedings.

172. The Company maintains directors and officers' liability insurance (the "**D&O Insurance**") for the D&Os, which provide up to \$10,000,000 in coverage. It is uncertain whether all claims for which the D&Os may be personally liable will be covered by the D&O Insurance given the convoluted nature of the exclusions provided for under the D&O Insurance and potential coverage positions that may be taken by the insurer. It is also uncertain whether the amount of coverage provided by the D&O Insurance will be sufficient to adequately protect the D&Os from liability and to incentivize the D&Os to continue their service with Tacora.

173. Absent approval by this Court of the Directors' Charge in the amounts set out above, I have been advised that all of Tacora's D&Os will resign, which would, in all likelihood, render these CCAA Proceedings much more challenging, and possibly much more costly, and also likely destroy potential value of the business to the detriment of Tacora's creditors and other stakeholders.

174. Accordingly, the Applicant seeks a charge on the Property in the amount of \$4,600,000 to secure payment under the indemnity granted by the Initial Order in favour of the D&Os. At the

Comeback Motion, Tacora will seek to increase the Directors' Charge to \$5,200,000. The Directors' Charge is proposed to rank immediately after the Administration Charge and ahead of all other Encumbrances. It is intended that the Directors' Charge will only apply in circumstances where the D&O Insurance is insufficient or ineffective.

175. The Proposed Monitor has advised that it is supportive of the proposed Directors' Charge and quantum thereof.

176. I believe that in these circumstances, the requested Directors' Charge is reasonable and adequate given, notably, the complexity of their business, and the corresponding potential exposure of Tacora's D&Os to personal liability, especially in the present context. The quantum of the Directors' Charge contemplated in the Initial Order was specifically sized by the Company, in consultation with the Proposed Monitor, based upon the potential director liabilities that could be outstanding at any time during the CCAA Proceedings.

I. Proposed Ranking of the Court-Ordered Charges

177. The proposed ranking of the Court-ordered Charges in the Initial Order is as follows:

First – Administration Charge (to the maximum amount of \$1,000,000);

Second – Directors' Charge (to the maximum amount of \$4,600,000); and

Third – DIP Charge.

178. The proposed ranking of the Court-ordered Charges in the ARIO is as follows:

First – Administration Charge (to the maximum amount of \$1,000,000);

Second – Directors' Charge (to the maximum amount of \$5,200,000);

Third – Transaction Fee Charge (to the maximum amount of \$5,600,000); and

Fourth – DIP Charge.

179. Pursuant to the proposed Initial Order, the Charges on the assets and property of the Company would rank in priority to all other security interests, trusts, liens, charges, encumbrances and claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any person, notwithstanding the order of perfection or

attachment, except for (a) any secured creditor of the Company who does not receive notice of this Application; and (b) Permitted Priority Liens (as that term is defined in the DIP Agreement). The proposed ARIO contemplates that the Charges would rank ahead of all Encumbrances on a subsequent motion on notice to those persons likely to be affected thereby.


180. As set out above, the proposed ARIO provides for the granting of a first-ranking priority KERP Charge over the KERP Funds. All other Charges shall rank subordinate to the KERP Charge as against the KERP Funds in the priorities set out above.

VII. CONCLUSION

181. For the reasons set out above, I believe that it is in the interest of Tacora and its stakeholders that Tacora be granted protection under the CCAA in accordance with the terms of the proposed Initial Order and the terms of the proposed ARIO.

182. I swear this affidavit in support of the Application and for no other or improper purpose.

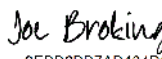
SWORN remotely via videoconference, by Joe Broking, stated as being located in the City of Grand Rapids, in the State of Minnesota, before me at the City of Toronto, in Province of Ontario, this 9th day of October, 2023, in accordance with O. Reg 431/20, *Administering Oath or Declaration Remotely*.

DocuSigned by:


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Commissioner for Taking Affidavits, etc.
Philip Yang | LSO #820840

DocuSigned by:



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
JOE BROKING

EXHIBIT "A"

referred to in the Affidavit of

JOE BROKING

Sworn October 9, 2023

DocuSigned by:

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Commissioner for Taking Affidavits
Philip Yang



Ministry of Public and
Business Service Delivery

Profile Report

TACORA RESOURCES INC. as of September 05, 2023

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	TACORA RESOURCES INC.
Ontario Corporation Number (OCN)	1000413859
Governing Jurisdiction	Canada - Ontario
Former Jurisdiction	Canada - British Columbia
Status	Active
Date of Incorporation/Amalgamation	January 12, 2017
Date of Continuance	January 13, 2023
Registered or Head Office Address	199 Bay Street, 5300 Commerce Court West, Toronto, Ontario, Canada, M5L 1B9

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Active Director(s)

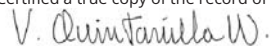
Minimum Number of Directors 1
Maximum Number of Directors 10

Name JOE BROKING
Address for Service 102 Ne 3rd Street, 120, Grand Rapids, Minnesota, United States, 55744
Resident Canadian No
Date Began January 13, 2023

Name LEON DAVIES
Address for Service 77 Queen Victoria Street, London, United Kingdom, EC4V 4AY
Resident Canadian No
Date Began July 03, 2023

Name TREY JACKSON
Address for Service 403 Westbury Drive, Chapel Hill, North Carolina, United States, 27516
Resident Canadian No
Date Began June 08, 2023

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.



Director/Registrar

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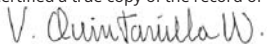
Active Officer(s)

Name JOE BROKING
Position Chief Executive Officer
Address for Service 102 Ne 3rd Street, Suite 120, Grand Rapids, Minnesota,
United States, 55744
Date Began January 13, 2023

Name ACHILLE NJIKE
Position Chief Operating Officer
Address for Service 102 Ne 3rd Street, Suite 120, Grand Rapids, Minnesota,
United States, 55744
Date Began January 13, 2023

Name HENG VUONG
Position Chief Financial Officer
Address for Service 102 Ne 3rd Street, Suite 120, Grand Rapids, Minnesota,
United States, 55744
Date Began January 13, 2023

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.



Director/Registrar

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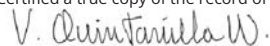
Inactive Administrators Reported on September 05, 2023 CIA Filing

Inactive Director(s)

Name	ANDREW HAM
Address for Service	33 Welbeck Street, London, London, United Kingdom, W1G 8EX
Resident Canadian	No
Date Began	January 13, 2023
Date Ceased	May 18, 2023

Name	PHILIP MULVIHILL
Address for Service	6 Paradise Island, Sentosa Cove, Singapore, Singapore, 098471
Resident Canadian	No
Date Began	January 13, 2023
Date Ceased	July 02, 2023

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.



Director/Registrar

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Corporate Name History

Name

TACORA RESOURCES INC.

Effective Date

January 13, 2023

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report.

Additional historical information may exist in paper or microfiche format.

Active Business Names

This corporation does not have any active business names registered under the Business Names Act in Ontario.

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V. Quintanilla W.

Director/Registrar

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Expired or Cancelled Business Names

This corporation does not have any expired or cancelled business names registered under the Business Names Act in Ontario.

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V. Quintanilla W.

Director/Registrar

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Document List

Filing Name	Effective Date
CIA - Notice of Change PAF: KELLY CAREY	September 05, 2023
CIA - Notice of Change PAF: KELLY CAREY	July 17, 2023
CIA - Initial Return PAF: KELLY CAREY	January 26, 2023
BCA - Articles of Continuance	January 13, 2023

All "PAF" (person authorizing filing) information is displayed exactly as recorded in the Ontario Business Registry. Where PAF is not shown against a document, the information has not been recorded in the Ontario Business Registry.

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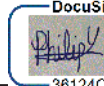
EXHIBIT "B"

referred to in the Affidavit of

JOE BROKING

Sworn October 9, 2023

DocuSigned by:



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Commissioner for Taking Affidavits
Philip Yang

TACORA RESOURCES INC.
SUMMARY OF CURRENT AND FULLY DILUTED OWNERSHIP


	Current		Fully Diluted	
	Shares	% Ownership	Shares	% Ownership
Proterra M&M MGCA B.V.	165,770,379	69.2%	165,770,379	15.1%
Proterra M&M Co-Invest LLC	17,750,166	7.4%	17,750,166	1.6%
OMF Fund II	23,851,786	10.0%	23,851,786	2.2%
MagGlobal LLC	14,460,759	6.0%	14,460,759	1.3%
Titlis Mining AS	13,867,318	5.8%	13,867,318	1.3%
Class A B Shares	3,819,750	1.6%	3,819,750	0.3%
Sub-Total	239,520,158	100.0%	239,520,158	21.9%
Cargill Warrants	-		383,512,569	35.0%
AHG Warrants	-		346,987,562	31.7%
QNS&L Warrants	-		27,393,755	2.5%
Cargill Preferred C Shares	-		16,154,887	1.5%
Management Options	-		82,181,265	7.5%
Total	239,520,158	100.0%	1,095,750,195	100.0%

EXHIBIT "C"

referred to in the Affidavit of

JOE BROKING

Sworn October 9, 2023

DocuSigned by:

36124C4218DD47C...

Commissioner for Taking Affidavits
Philip Yang

Corporate Organization Chart of Tacora Resources Inc.

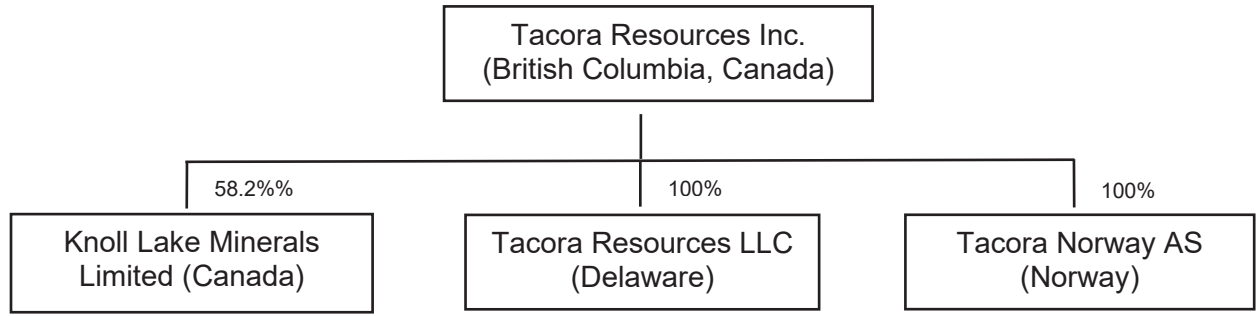



EXHIBIT "D"

referred to in the Affidavit of

JOE BROKING

Sworn October 9, 2023

DocuSigned by:


36124C4218DD47C...

Commissioner for Taking Affidavits
Philip Yang

**AMENDMENT AND RESTATEMENT OF
CONSOLIDATION OF MINING LEASES - 2017**

THIS INDENTURE made and entered into as of the 17th day of November, 2017, by and between **0778539 B.C. LTD.** (formerly called **MFC BANCORP LTD.**), a corporation with an address of c/o 1000 Cathedral Place, 925 West Georgia Street, Vancouver, British Columbia, Canada V6C 3L2 (hereinafter called the "**Lessor**"), and **TACORA RESOURCES INC.**, a corporation incorporated under the laws of the Province of British Columbia with an address at Suite 120, 102 NE 3rd Street, Grand Rapids, Minnesota, United States of America 55744 (hereinafter called the "**Lessee**").

WHEREAS, under and pursuant to a certain Mining Lease dated June 28, 1957, by and between the Lessor (known as Canadian Javelin Limited at the time) and Wabush Iron Co. Limited ("**Wabush Iron**") (which Mining Lease, as amended by Agreement dated April 2, 1958, and by Agreement dated January 30, 1959, is hereinafter called the "**Wabush Iron Lease**"), the Lessor demised unto Wabush Iron that piece or parcel of land (hereinafter called the "**Wabush Iron Premises**") described in Schedule A to this Indenture and generally delineated in gray upon a plan (captioned "Plan Annexed to Schedule to Lease No. 2") annexed to said Schedule A; and

WHEREAS, under and pursuant to a certain Mining Lease dated June 28, 1957, by and between the Lessor and Pickands Mather & Co. and The Steel Company of Canada, Limited as lessees (which Mining Lease is hereinafter called the "**PM - Stelco Lease**"), the Lessor demised unto said lessees that piece or parcel of land (hereinafter called the "**PM - Stelco Premises**") described in Schedule B to this Indenture and generally delineated in gray upon a plan (captioned "Plan Annexed to Schedule to Lease No. 1") annexed to said Schedule B; and

WHEREAS, Pickands Mather & Co. and The Steel Company of Canada, Limited, by Assignment dated September 2, 1959 assigned the PM - Stelco Lease and the leasehold estate created thereby to Wabush Iron with the written consent of the Lessor thereto appended; and

WHEREAS, the Lessor and the Lessee desired to modify and amend certain of the provisions of the Wabush Iron Lease and of the PM - Stelco Lease, and to consolidate said Leases into one Lease covering both the Wabush Iron premises and the PM - Stelco Premises (the two said premises being hereinafter together called the "**Demised Premises**"); and

WHEREAS, on September 2, 1959, the Lessor and Wabush Iron entered into an Amendment and Consolidation of Mining Leases, whereby they amended, restated and consolidated the terms of the Wabush Iron Lease and the PM - Stelco Lease in their entirety (as amended from time to time, the "**First Amendment and Consolidation of Mining Leases**"); and

WHEREAS, the First Amendment and Consolidation of Mining Leases was further amended by the Lessor and Wabush Iron pursuant to an Amendment dated June 28, 1960, a Second Amendment dated August 31, 1960, an Amendment of Amendment and Consolidation of Mining Lease dated August 8, 1961; and

WHEREAS, pursuant to an asset purchase agreement between Wabush Iron, Wabush Resources Inc., Wabush Lake Railway Company Limited, the Lessee and Tacora Resources Inc. dated June 2, 2017, an Approval and Vesting Order of the Québec Superior Court, Commercial

Division dated June 26, 2017 and an Assignment Order of the Québec Superior Court, Commercial Division dated June 26, 2017, among other things, Wabush Iron assigned all of its rights and obligations under the First Amendment and Consolidation of Mining Leases to the Lessee; and

WHEREAS, the parties wish to amend and restate the First Amendment and Consolidation of Mining Leases in its entirety all as set forth herein.

NOW, THEREFORE, in consideration of the premises and of the mutual undertakings and agreements of the parties hereinafter set forth **IT IS AGREED** that effective from and after the date hereof the following articles, terms and provisions shall be substituted for the First Amendment and Consolidation of Mining Leases, such articles, terms and provisions being as follows:

NOW THEREFORE THIS INDENTURE WITNESSETH THAT for and in consideration of the rents and royalties and of the covenants and conditions to be paid, observed, performed and fulfilled by the Lessee hereunder, the Lessor hereby demises unto the Lessee all that piece or parcel of land hereinbefore defined as the Demised Premises, as more particularly described in the Schedules to this Indenture and generally delineated in gray upon the plans annexed thereto (which descriptions and plans are to be taken as a part hereof), **TOGETHER WITH** the exclusive right to explore, investigate, develop, produce, extract, remove by open pit or other method of mining, smelt, reduce and otherwise process, make merchantable, store, sell and ship all Iron Ore Products, as hereinafter defined, on, in or under the Demised Premises, **TO HOLD** the same unto Lessee for the term extending to and including the 20th day of May 2055, **YIELDING AND PAYING** therefor yearly on the 20th day of December in each and every year the rental of Three Hundred Sixty Dollars (\$360.00) (Canadian Funds), less such sum as shall be expended by the Lessee after the execution of this Indenture on the prospecting, exploration, development or mining of the Demised Premises or any part thereof.

The following terms whenever used in this Indenture shall have the respective meanings hereinbelow set forth:

- (a) "**Canadian Funds**" shall mean the lawful money of Canada which at the time is the legal tender for public and private debts in Canada.
- (b) "**Cargill Agreement**" means the iron ore sales agreement between the Lessee and Cargill International Trading Pte Ltd. dated April 5, 2017 as the same may be amended, restated or replaced from time to time including with other parties.
- (c) "**Deductible Expenses**" means in respect of each Metric Tonne of Iron Ore Products shipped from the Demised Premises; the lesser of: (a) \$2.50 per Gross Ton (Canadian funds) (the "**Cap**"), with such Cap adjusted each January 1st after the 2018 year, based on the annual percentage change in the producer price index for final demand transportation and warehousing services (PPI-FD-TWS) as published by the U.S. Department of Labor Statistics; and (b) any reasonable *bona fide* vessel loading and dock handling costs, including, but not limited to, vessel demurrage, tug charges, vessel draft surveys, despatch charges, deadfreight charges, stevedoring charges, vessel security charges and dock access fees (Port of Sept-Îles) paid by or on behalf of the Lessee for the shipment of such Iron Ore

Products from the Port, as defined below, as the Lessee may use to ship Iron Ore Products pursuant to the Cargill Agreement or any other sales agreement for Iron Ore Products that are subject to this Agreement.

- (d) "**Disposed Materials**" shall mean tailings stored in the Flora Lake pond or any other disposal or storage site used by the Lessee, waste rock, spoil, or other mine waste resulting from the production of Iron Ore Products,
- (e) "**Iron Ore Products**" shall mean and include iron ore, crude iron bearing material including Iron Ore Concentrate, and any other metal, material or composition produced from iron ore or crude iron bearing material or otherwise.
- (f) "**Iron Ore Concentrate**" shall mean an iron bearing material produced by the beneficiation of crude iron-bearing material and/or Disposed Material so as to increase the concentration with respect to the element iron.
- (g) "**Metric Tonne**" shall mean two thousand two hundred four and six hundred twenty three thousands (2,204.623) pounds avoirdupois.
- (h) "**Knoll Lake**" shall mean Knoll Lake Minerals Ltd. (formerly known as Newfoundland and Labrador Corporation Limited).
- (i) "**Naleo Lease**" shall mean that Indenture of Lease dated May 26, 1956, as amended by Indenture dated June 28, 1957, between Knoll Lake and the Lessor (then known as Canadian Javelin Limited), leasing the Demised Premises to the Lessor.
- (j) "**Net Revenues**" shall mean:
 - (i) in the event that the Lessee sells Iron Ore Products under an arm's length, bona fide contract of sale, the amount per Metric Tonne (weight determined by vessel draft survey) actually received by or otherwise payable or credited to the account of the Lessee and its affiliates calculated f.o.b. Pointe Noire, Québec or such other applicable port on the St. Lawrence seaway from which such Iron Ore Products is shipped to the Lessee's customers (the "**Port**"), or in the case of sales ex-mine gate or ex-rail, calculated at the point of actual sale, including, without limitation, all payments, incentives, bonuses, allowances, profit sharing or other consideration received by, credited or payable to the Lessee and/or its affiliates in respect thereof, less: (A) the Deductible Expenses; and (B) any royalties or overriding royalties measured by production of Iron Ore Products that are imposed on the Lessee under applicable laws by the Province of Newfoundland and are actually paid to such Province by the Lessee in respect of such sale of such Iron Ore Products (it being acknowledged that no such royalties or overriding royalties exist on the date hereof); and
 - (ii) in the event that the Lessee otherwise sells Iron Ore Products, including, without limitation, in a non-arm's length transaction, the amount per

Metric Tonne by reference to a standard industry publication or service containing prices or quotations of the prices at which Iron Ore Products of equivalent types and qualities are being sold or purchased at a specific point of delivery (an "Industry Service") or, if such Industry Service is unavailable, then by such other means, in accordance with mining industry practice, as may establish such prices or quotations of the prices at which Iron Ore Products or equivalent types are being sold and purchased, calculated at f.o.b. the Port.

A. AND the Lessee hereby covenants with the Lessor as follows:

1. That the Lessee will, during the term of this Indenture, pay to the Lessor on or before the 25th day of January, April, July and October (hereinafter called "Quarterly Payment Dates") in each and every year or if such day falls on a Sunday or a holiday then on the next ensuing day, as royalty for each Metric Tonne of Iron Ore Products shipped from the Demised Premises (based on weight determined from certified railroad scale at the Scully mine) during the calendar quarter immediately preceding the first day of the month in which payment is to be made as aforesaid an amount equal to seven per cent (7.0%) of the Net Revenues from Iron Ore Products produced or derived from the Demised Premises (the royalty so paid or payable being hereinafter called "Earned Royalties") provided, however, that, in the case of Iron Ore Products that are solely produced from Disposed Materials on a segregated basis from other sources of Iron Ore Products and which Disposed Materials originated from iron ore mining at the Demised Premises, the Earned Royalties shall be calculated at a rate of four and two-tenths percent (4.2%) of the Net Revenues from such Iron Ore Products, and further provided that, for each calendar quarter during which this Indenture remains in effect, and regardless of whether the Lessee shall conduct on the Demised Premises any mining or other operations, the Lessee shall, on each of the Quarterly Payment Dates, pay the Lessor a quarterly minimum royalty (hereinafter called "Minimum") equal to \$812,475 (Canadian Funds), the whole subject to the following conditions, namely:

(a) If on any Quarterly Payment Date the amount payable by the Lessee to the Lessor hereunder as Earned Royalties for each Metric Tonne of Iron Ore Products shipped from the Demised Premises during the immediately preceding calendar quarter shall be less than the Minimum for such quarter, the total amount payable by the Lessee to the Lessor hereunder as royalty on such Quarterly Payment Date shall be the amount of such Minimum.

(b) If and so soon as the total amount paid by the Lessee to the Lessor by way of royalty hereunder in any calendar year shall be equal to the total of the Minimums for all four calendar quarters in such year, the Lessee's obligation to pay royalties hereunder for the remainder of such calendar year shall be limited to the amount of any Earned Royalties which shall be payable hereunder in respect of such year and which are in excess of the total of such Minimums in such year.

(c) Any amount which the Lessee shall pay to the Lessor on any Quarterly Payment Date in respect of the Minimum hereunder otherwise than in payment of Earned Royalties for shipments during the immediately preceding calendar quarter shall constitute a credit against future Earned Royalties in the same calendar year as the quarter in which such payment relates and the Lessee shall be entitled to use and apply any such credit, so far as the same will go and may be required, to the satisfaction of any Earned Royalties on which shall be payable in respect

of shipments during any subsequent quarter of the same year to the extent that such Earned Royalties shall exceed the Minimum for such quarter, provided that any such credits in respect of payments of Minimum relating to calendar quarters ending in the 2017 and 2018 calendar years may be credited only towards any Earned Royalties payable by the Lessee to the Lessor in respect of calendar quarters in the 2018 and 2019 calendar years.

(d) In the event that the Lessee is required to pay any royalties to Knoll Lake under the Nalco Lease, the Lessor agrees that the Lessee shall have credit for any such payments so made against any amounts due to the Lessor hereunder.

(e) Earned Royalties upon any Iron Ore Products obtained from the Demised Premises by the Lessee shall accrue only from the date that such products are actually shipped and for the purposes hereof such products shall be deemed to be shipped when delivered to a carrier at the Demised Premises or from stockpile grounds or the plant, as the case may be, for shipment to the consumer thereof.

(f) The amount of Iron Ore Products shipped hereunder shall be determined by railroad weights in Metric Tonnes certified by the carrier transporting the same, which shall be accepted as prima facie correct, or by weightometers, vessel draft surveys done by independent port surveyors, or such other weights as may be generally in use for such purposes, subject in any case to the right of inspection by either party and any errors discovered shall be corrected and settled for promptly. Any applicable prices from Industry Services during each quarter shall be based upon the average analyses (taken by the Lessee in the normal course of its operations) of the Iron Ore Products shipped in such calendar quarter, subject to verification by independent chemists from time to time at the request and at the expense of the Lessor if no error be found on such verification and otherwise at the expense of the Lessee and errors when discovered shall be corrected and settled for promptly.

(g) On each Quarterly Payment Date, the Lessee will submit to the Lessor a written statement of all tonnages and analyses of Iron Ore products shipped by the Lessee during the immediately preceding calendar quarter.

(h) The Lessor and the Lessee acknowledge and agree that retroactive determinations and payments will be required from time to time with respect to Earned Royalties, given that the Cargill Agreement provides for payment to the Lessee of a "Provisional Purchase Price" (as defined in the Cargill Agreement) and third party service providers may invoice the Lessee for Deductible Expenses after the end of a calendar quarter, and both such factors shall impact the final determination of Net Revenues (including Deductible Expenses) hereunder; accordingly, in the event that, in respect of Iron Ore Products shipped in any calendar quarter: (i) the final Purchase Price (as defined in the Cargill Agreement) payable to the Lessee under the Cargill Agreement; and/or (ii) final invoices for Deductible Expenses are received and paid by the Lessee subsequent to the applicable Quarterly Payment Date that:

(i) would have resulted in a greater amount of Net Revenue in a calendar quarter than the amount previously determined hereunder in calculating the amount of Earned Royalties in respect of such calendar quarter, then the Lessee shall pay to the Lessor on the next Quarterly Payment Date after such determination an additional amount of Earned Royalties equal to the applicable percentage (as utilized to calculate such Earned Royalties

under Clause 1 of Part A hereof) of the difference between the original and final calculations of Net Revenue for such calendar quarter, provided that if on any date, such additional amount of Earned Royalties exceeds \$1,000,000 (Canadian Funds) based on amounts payable to the Lessee under the Cargill Agreement, then the Lessee shall pay such additional amount of Earned Royalties within 15 days of knowledge thereof; or

- (ii) would have resulted in a lower amount of Net Revenue in a calendar quarter than the amount otherwise determined hereunder in calculating the amount of Earned Royalties in respect of such calendar quarter, then the Lessee shall be entitled to deduct from the amount of Earned Royalties payable to the Lessor on the next Quarterly Payment Date after such determination an amount equal to the applicable percentage (as utilized to calculate such Earned Royalties under Clause 1 of Part A hereof) of the difference between the original and final calculations of Net Revenue for such calendar quarter, provided that in no event shall the Deductible Expenses exceed the Cap.

2. That the working and getting of the Iron Ore Products shall be performed in a skillful and workmanlike manner according to the most approved practice for the time being adopted in similar mines and fields.

3. That the Lessee shall, before the 25th day of January, April, July and October in each year during the currency of this Indenture, submit a report to the Lessor showing

- i. the total tonnage mined or produced during the previous calendar quarter or any part thereof included in the term;
- ii. the quantity of Iron Ore Products obtained from the total tonnage mined or produced;
- iii. the total tonnage mined or produced during the previous calendar quarter or any part thereof from each of tailings, waste rock, spoil and mine waste;
- iv. the quantity of Iron Ore Products obtained from each of tailings, waste rock, spoil and mine waste;
- v. the average iron content of the Iron Ore Products produced during the year (including reporting on a separate basis such information for Iron Ore Products produced from each of tailings, waste rock, spoil and mine waste);
- vi. the Net Revenues from the sale of all Iron Ore Products, including a detailed breakdown thereof;
- vii. the Deductible Expenses, including a detailed breakdown thereof;
- viii. the gross value received from the sale of all Iron Ore Products;

- ix. the amount and method of calculation of any tax required to be withheld by the Lessee under applicable taxation legislation;
- x. a detailed breakdown of the calculation of any payments or credits under Clause 1(h) of Part A hereof;
- xi. such other reasonable information requested by the Lessor in order to determine the amounts payable under this Indenture; and
- xii. such other data and information as may be required of the Lessor by Knoll Lake under the provisions of the Nalco Lease.

4. That the Lessee will permit the Lessor by its duly authorized agents or representatives at all reasonable times to enter upon and inspect and examine the Demised Premises and every part thereof for the purpose of ascertaining the conditions thereof and the manner of working and managing the same, provided, however, that such inspection and examination shall in no way interfere with the working by the Lessee of the Demised Premises and shall be at the sole cost and risk of the Lessor.

5. That the Lessee will maintain throughout the term herein granted good and sufficient corner posts or mounds and boundary marks according to the most approved mining practice for the time being adopted in similar mines and fields and in accordance with The Crown Lands (Mines and Quarries) Act, Chapter 175 of The Revised Statutes of Newfoundland, 1952.

6. That except where it is necessary to employ technical experts, the Lessee shall at all times in the working and production of the iron ore employ Newfoundland workers if they are available.

7. That if the Government of the Province of Newfoundland shall at any time be desirous of acquiring any vacant lands, being part of the Demised Premises, for the purpose of building, making or erecting railways, roads, bridges or public buildings or works or for townsites or for agricultural settlements, or for sites for tourist purposes, the Lessee shall, if it has not carried out or is not proposing to carry out development thereon, release such lands to the Lessor and if the Lessee shall have improved such lands they shall be surrendered upon payment by the Lessor of fair and reasonable compensation to be agreed upon between the parties and, if not agreed upon, to be settled by arbitration in the manner provided in Section 8 I of The Newfoundland and Labrador Corporation Limited Act, 1951, the Act No. 88 of 1951 as amended by The Newfoundland and Labrador Corporation Limited (Amendment) Act, 1953, the Act No. 64 of 1953, and by The Newfoundland and Labrador Corporation Limited (Amendment) Act, 1959, the Act No. 34 of 1959.

8. That the Lessee shall keep full and proper books of account and records of all Iron Ore Products produced or shipped, all revenues received for Iron Ore Products, the Deductible Expenses hereunder and such books of account and records shall contain full particulars of all data and particulars necessary and proper for the compiling of the report referred to in Clause 3 of this Part A of this Indenture.

9. That the Lessor may by its duly authorized agents or representatives at all reasonable times inspect and audit the said books or account and records referred to in the foregoing Clause 8 of Part B of this Indenture and take extracts therefrom for the information of the Lessor.

10. The Lessee may not mix or commingle, either underground, at the surface, at processing plants or other treatment facilities or at transportation facilities or otherwise any of the Iron Ore Products extracted from the Demised Premises with any similar substances derived from any other property or other lands.

11. The Lessor holds this Indenture in trust for and on behalf of its affiliated company, 1128349 B.C. Ltd. (the "**Beneficial Holder**"), and the Lessee shall make all payments hereunder, including Earned Royalties and the Minimum, to the Beneficial Holder unless and until the Lessor and the Beneficial Holder jointly advise the Lessee in writing to otherwise make such payments. The Lessor covenants and agrees that any and all payments made by the Lessee as provided in Clause 11 of this Part A of this Indenture shall constitute proper and sufficient payment of such amounts pursuant to this Indenture.

12. The parties hereto acknowledge and agree that the obligations to pay Earned Royalties hereunder will be a covenant running with the Demised Premises, will be enforceable as an *in rem* interest in land which shall run with the Demised Premises and will be binding upon and enure to the benefit of the parties and their respective successors and permitted assigns and form an integral part of this Indenture and the lease of the Demised Premises contemplated hereunder.

13. The Lessee will have the right to engage in forward sales, futures trading or commodity options trading and other price hedging, price protection, derivatives, synthetic and speculative arrangements (the "**Trading Activities**") which may involve the possible physical delivery of Iron Ore Products. Earned Royalties will not apply to, and the Lessor will not be entitled to participate in, the profits or losses generated by the Lessee or its affiliates in such Trading Activities. If the Lessee or its affiliates engage in Trading Activities, the Earned Royalties on the Iron Ore Products underlying such Trading Activities will be determined on the basis of the value of such Iron Ore Products without regard to the price or proceeds actually received by the Lessee or any of its affiliates for or in connection with the sale, or the manner in which a sale to a third party is made by the Lessee or any of its affiliates. The aforementioned value will be determined in accordance with paragraph (ii) of the definition of "Net Revenues" herein. The parties agree that the Lessor is not a participant in the Trading Activities of the Lessee or any of its affiliates, and therefore Earned Royalties will not be diminished or improved by losses or gains of the Lessee or any of its affiliates in any such Trading Activities.

B. **AND** the Lessor hereby covenants and warrants with the Lessee as follows:

1. That the Lessor is the owner and holder of a valid leasehold estate in and to the Demised Premises under a valid and subsisting lease in respect thereof fully effective in accordance with its terms; that the Lessor has good and full right to grant to the Lessee the rights and interests herein purported to be granted free and clear of all liens and encumbrances; that the Lessor will keep the Nalco Lease in respect of the Demised Premises in full force and effect for the term hereof; that the Lessee, paying the rent and royalties hereby reserved and observing and performing and fulfilling the several covenants and conditions herein contained and on the part

of the Lessee to be paid, observed, performed and fulfilled, shall peaceably hold and enjoy the mines, premises, liberties and powers hereby demised and granted during the said term without any interruption by the Lessor or any person rightfully claiming under or in trust for it.

2. That the Lessee shall have the full and free right, liberty and license, during the continuance of this Indenture, by way or surface or subterranean operations, to work, mine, extract, remove, mill, smelt or process and sell or dispose of for the benefit of the Lessee the Iron Ore Products on, in and under the Demised Premises and to do all other acts and things as are necessary for the purpose of mining or incidental thereto.

3. That the Lessee may waste or dispose of all tailings, waste rock, spoil or Disposed Material resulting from the production of the Iron Ore Products by the Lessee in such ways as the Lessee may from time to time see fit, subject to the condition that if any Iron Ore Products are extracted from such tailings, waste rock, spoil or other mine waste by the Lessee, the Lessee shall pay to the Lessor in respect of such Iron Ore Products so extracted the royalty provided for in Part A of this Indenture.

C. AND it is hereby mutually agreed by and between the Parties hereto:

1. That the Lessee may at any time determine the tenancy hereby created by giving to the Lessor sixty (60) days' previous notice in writing to that effect and thereupon, provided the Lessee shall up to the date of such determination pay the rents and perform and fulfill the covenants and conditions on the part of the Lessee to be paid, performed and fulfilled, the present demise and everything herein contained shall cease and be void save in respect of any rents, royalties and other amounts which ought to be paid upon or before the determination of the tenancy.

2. That if at the determination of the tenancy there shall be Iron Ore Products which have been mined or produced before the determination of the said tenancy and not removed from the Demised Premises, the Lessee shall have the right upon the payment of royalties thereon in accordance with the provisions hereof to remove the same within a period of six (6) calendar months from the date of the determination of the tenancy and shall have full right of access to the Demised Premises for the above purpose.

3. That it shall be lawful for the Lessee to remove all buildings, plant, machinery and all articles and things of the Lessee in and upon or under the Demised Premises at any time within six (6) months after the determination of the tenancy; provided that the Lessor shall have the right by notice in writing to the Lessee to purchase all or any part of the said properties, articles and things at the then reasonable market price, to be determined, failing agreement thereon between the parties, by arbitration as hereinafter provided.

4. That if and whenever any of the rents or royalties hereby reserved or any part thereof shall be in arrears for thirty (30) days or if any covenant or condition herein contained shall not have been duly performed or observed, the Lessor, upon giving sixty (60) days' notice in writing to the Lessee that such rents or royalties have not been paid and demanding payment thereof or that any covenant or condition has not been performed or observed, may, at any time thereafter, if such payment is not made or such covenant or condition is not performed or observed within such period of notice, enter into and upon the Demised Premises or any part thereof and thereupon this demise shall absolutely determine subject to the same obligations on

the part of the Lessee as if such determination had been effected by the Lessee pursuant to the provisions of Clause 1 of this Part C and without prejudice to the right of action of the Lessor in respect of any breach of the Lessee's covenants herein contained.

5. That, notwithstanding any other provisions of this Indenture, if the amount of any rents or royalties payable in any year under this Indenture or the performance or observance of any covenant or condition contained in this Indenture is in dispute between the Lessor and the Lessee, such rents or royalties shall be deemed due and payable and such covenant or condition shall be required to be performed or observed within sixty (60) days of the date of the award of the arbitrators appointed, to decide such dispute in accordance with Clause 9 of this Part C of this Indenture; provided that the Lessee shall not be entitled to the benefit of this clause unless it has been paid the amount which it considers is payable in respect of such rents and royalties within thirty (30) days of the date upon which the said rents and royalties are payable and provided, further, that if the full amount of such rents and royalties payable under the said award shall not be paid within the sixty (60) days after the date of such award then the Lessor may exercise the rights conferred on it by Clause 4 of this Part C of this Indenture and the Lessor shall not be obliged to give the notice required thereby.

6. That should the mining operations of the Lessee cause subsidence of or other injury to the surface land of the Demised Premises, the Lessee shall not be liable to pay any compensation therefor to the Lessor.

7. Notwithstanding the foregoing, the Lessee shall timely and fully perform all reclamation required by all governmental authorities pertaining or related to the Lessee's operations or activities on or with respect to the Demised Premises or required under this Indenture. The Lessee covenants and agrees not to undertake, cause, suffer, or permit any condition or activity at, on or in the vicinity of the Demised Premises which constitutes a violation of or liability under any present or future applicable federal, provincial, or local environmental Laws, (collectively "**Environmental Obligations**"). In the event the Lessee fails to comply with any Environmental Obligations, undertakes any activity giving rise to liability under any Environmental Obligations, or otherwise breaches any Environmental Obligations, the Lessee shall promptly remedy and correct such failure to comply, satisfy such liability, cure such breach and satisfy all obligations in connection therewith. The Lessee covenants and agrees to indemnify and hold the Lessor harmless from any and all liabilities, obligations, claims (including administrative claims and claims for injunctive relief), losses, costs, damages, expenses, attorney fees and causes of action asserted against Lessee related to the Lessee's failure to comply with and satisfy Environmental Obligations or other obligations under this Indenture. The covenants and agreements of this Clause 7 of Part C shall survive any expiration or termination of this Indenture.

8. The Lessee shall at all times comply with all applicable present or future Laws relating to operations and activities on or with respect to the Demised Premises and related operations; provided, however, the Lessee shall have the right to contest any of the same if such contest does not unreasonably jeopardize the Demised Premises, the mining operations thereon or the Lessor's rights in respect of the Demised Premises or under this Agreement.

9. That if any dispute, question or difference shall arise at any time between the Lessor and the Lessee as to any matter contained in this Indenture or touching or concerning the provisions of this Indenture or the construction, meaning, operation or effect thereof or arising

out of or in relation to this Indenture, or if the parties fail to agree upon any matter reserved for their mutual agreement, then such dispute, question, difference, or agreement shall be determined by arbitration in the manner following:

The Lessor shall appoint one arbitrator, the Lessee shall appoint another, and the two arbitrators so appointed shall appoint a third arbitrator or umpire, and in the event of the Lessor or the Lessee failing to appoint an arbitrator after seven (7) clear days' notice by the Lessor or the Lessee, as the case may be, so to do, the Lessor or the Lessee may apply to a Judge of the Supreme Court of Newfoundland who may, after due notice to the Lessor or the Lessee, as the case may be, appoint such arbitrator, and the arbitrators so appointed by the Lessor or the Lessee or by the Judge shall thereupon appoint a third arbitrator or umpire, and in the event of the last mentioned arbitrators' failing to appoint a third arbitrator or umpire after seven (7) clear days' notice from the Lessor or the Lessee so to do, the Judge may, on the application of the Lessor or the Lessee, as the case may be, appoint such third arbitrator or umpire, and the award of such arbitrators any two (2) of them shall be final and binding upon the parties.

The expense of any such arbitration, including reasonable compensation for the arbitrators, shall be borne and paid equally by the parties or as the arbitrators may otherwise direct.

10. That the Lessee shall not have the right to assign the demise hereby granted or any right or interest of the Lessee therein or to sublet the Demised Premises in whole or in part excepting with the consent in writing of the Lessor, which consent shall not be unreasonably withheld; provided, however, that the Lessee may assign this Lease to a wholly-owned subsidiary or an affiliate of the Lessee on thirty (30) days' prior written notice to the Lessor, provided that any such wholly-owned subsidiary or affiliate of the Lessee: (a) has agreed in advance in writing in favour of the Lessor to be bound by the terms of this Indenture; and (b) has simultaneously acquired all of the Lessee and its other affiliates' right, title and interests in the assets comprising and used in connection with mining operations at the Demised Premises, including all equipment, licenses and permits related thereto; and further provided that no such assignment shall release or relieve the Lessee from any of its obligations under this Indenture. Subject to the foregoing, this Indenture shall enure to the benefit of and be binding upon the respective successors and assigns of the parties hereto.

11. That the Demised Premises shall revert to the Lessor if the mine has ceased to operate for ten (10) consecutive years or if the Lessee fails to recommence production at the mine by December 31, 2019.

12. Every notice, request, demand or communication required or permitted to be given under this Indenture shall be in writing and delivered by hand or facsimile transmission to the Party which it is to be given as follows:

If to the Lessor:

0778539 B.C. LTD.
c/o 1000 Cathedral Place
925 West Georgia Street
Vancouver, British Columbia
Canada V6C 3L2

Facsimile: (604) 683-3206
Attention: Michael Smith, President

with a copy (which shall not constitute notice) to:

Sangra Moller LLP
1000 Cathedral Place
925 West Georgia Street
Vancouver, British Columbia
Canada V6C 3L2

Facsimile: (604) 669-8803
Attention: H.S. Sangra

If to the Lessee:

Tacora Resources Inc.
102 NE 3rd Street
Suite 120
Grand Rapids, Minnesota
United States of America 55744

Facsimile: (218) 999-5827
Attention: Larry Lehtinen, Executive Chairman and CEO
Email: larry.lehtinen@tacoraresources.com

with a copy to:

Facsimile: (218) 999-5827
Attention: Joe Broking, CFO and Corporate Secretary
Email: joe.broking@tacoraresources.com

and:

Attention: Legal Department
Email: CorporateSecretaryNotices@tacoraresources.com

with a copy (which shall not constitute notice) to:

Stikeman Elliott LLP
5300 Commerce Court
199 Bay Street
Toronto, Ontario
Canada M5L 1B9

Facsimile: (416) 947-0866
Attention: John Ciardullo

or to such other address or facsimile number as is specified by a party hereto by notice to the other party given in accordance with this Clause 12 of this Part C of this Indenture. Any such notice, demand, request or direction shall be deemed to have been given and received if delivered, on the next business day (a "**Business Day**"), being any day except Saturday, Sunday or any day on which banks are not generally open for business in the City of St. John's Newfoundland and Labrador, the City of Toronto, Ontario or the City of Vancouver, British Columbia, after the day of delivery, and if sent by facsimile transmission, on the first Business Day after the day of transmittal.

13. This Indenture shall be construed and interpreted in accordance with the laws of the Province of Newfoundland, Canada and the federal laws of Canada applicable therein.

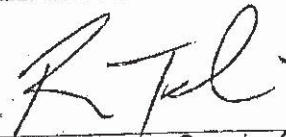
[Remainder of page left intentionally blank.]


14. This Indenture may be executed in counterparts and by facsimile or email and by different parties in separate counterparts, each of which when so executed shall be deemed an original and all of which, taken together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto have caused this Indenture to be duly executed as of the day and year first above Written.

SIGNED, SEALED AND DELIVERED
BY 0778539 B.C. LTD. IN THE
PRESENCE OF:


0778539 B.C. LTD.

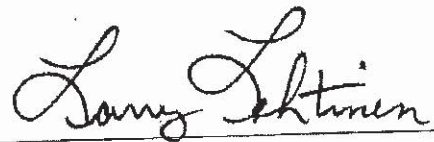

Notary Public for British Columbia
(affix seal or stamp)
ROD A. TALAIIFAR
Barrister & Solicitor
1000 CATHEDRAL PLACE
925 WEST GEORGIA STREET
VANCOUVER, B.C. V6C 3L2
TELEPHONE: 604-662-8808

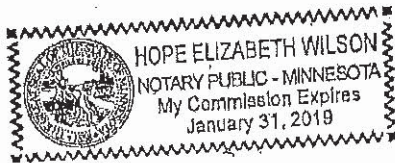
By 
Name: Michael Smith
Title: Authorized Signatory

SIGNED, SEALED AND DELIVERED
BY TACORA RESOURCES INC. IN
THE PRESENCE OF:

TACORA RESOURCES INC.


Notary Public for Minnesota
(affix seal or stamp)

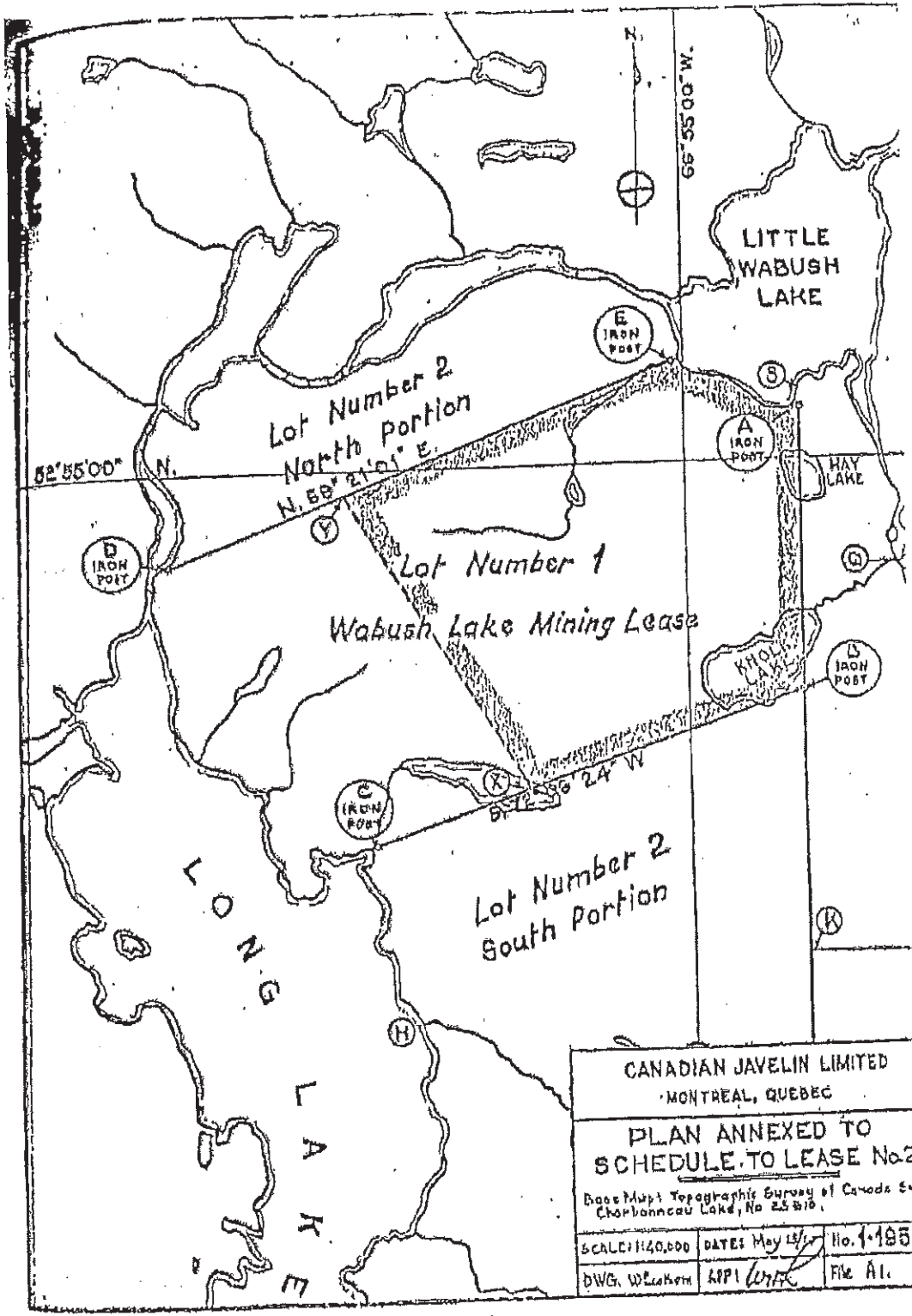
By 
Name: Larry Lehtinen
Title: Executive Chairman and CEO



SCHEDULE A

A piece or parcel of land containing an area of approximately three and thirty-six hundredths (3.36) square miles situated in Labrador in the Province of Newfoundland as generally delineated and outlined in grey upon the Plan annexed to this schedule and being more particularly described as follows:

Beginning at Point A (Point A being an iron pin approximately seventy (70) feet to the South of the South shore line of Little Wabush Lake near the intersection of Parallel fifty-two degrees fifty-five minutes fourteen seconds (52°55'14") North Latitude with Meridian sixty-six degrees fifty-four minutes nine seconds (66°54'9") West Longitude, said intersection being interpolated from Topographic Survey of Canada Map Sheet No. 23B/15 Charbonneau Lake, Newfoundland, Quebec, Advance Information, Scale 1:40,000); thence running true South seven thousand five hundred ninety-six and fifty-eight hundredths (7,596.58) feet more or less to Point B (Point B being an iron pin approximately two hundred and sixty-seven (267) feet to the South of the south shore line of Knoll Lake); thence running in a Southwesterly direction along a line bearing South seventy-two degrees six minutes twenty-four seconds (72°6'24") West a distance of seven thousand eight hundred twenty-nine and forty-two hundredths (7,829.42) feet more or less to Point X; thence running in a Northwesterly direction along a line bearing North thirty-one degrees twenty-eight minutes ten seconds (31°28'10") West a distance of nine thousand three hundred thirty-four and sixty-five hundredths (9,334.65) feet more or less to Point Y; thence in a Northeasterly direction along a line bearing North sixty-nine degrees twenty-one minutes one second (69°21'1") East a distance of nine thousand six hundred and forty-five and seventeen hundredths (9,645.17) feet more or less to Point E (Point E being an iron pin on the North bank of a stream flowing into Little Wabush Lake); thence running along said last mentioned line a distance of approximately forty (40) feet to its intersection with the shore line of Little Wabush Lake; thence running Southeasterly along the South shore line of Little Wabush Lake to a point true North of Point A; thence running a distance of approximately seventy (70) feet true South to Point A, the point of beginning; all bearings being referred to the True Meridian; and subject nevertheless to the right of way of The Wabush Lake Railway Company Limited.



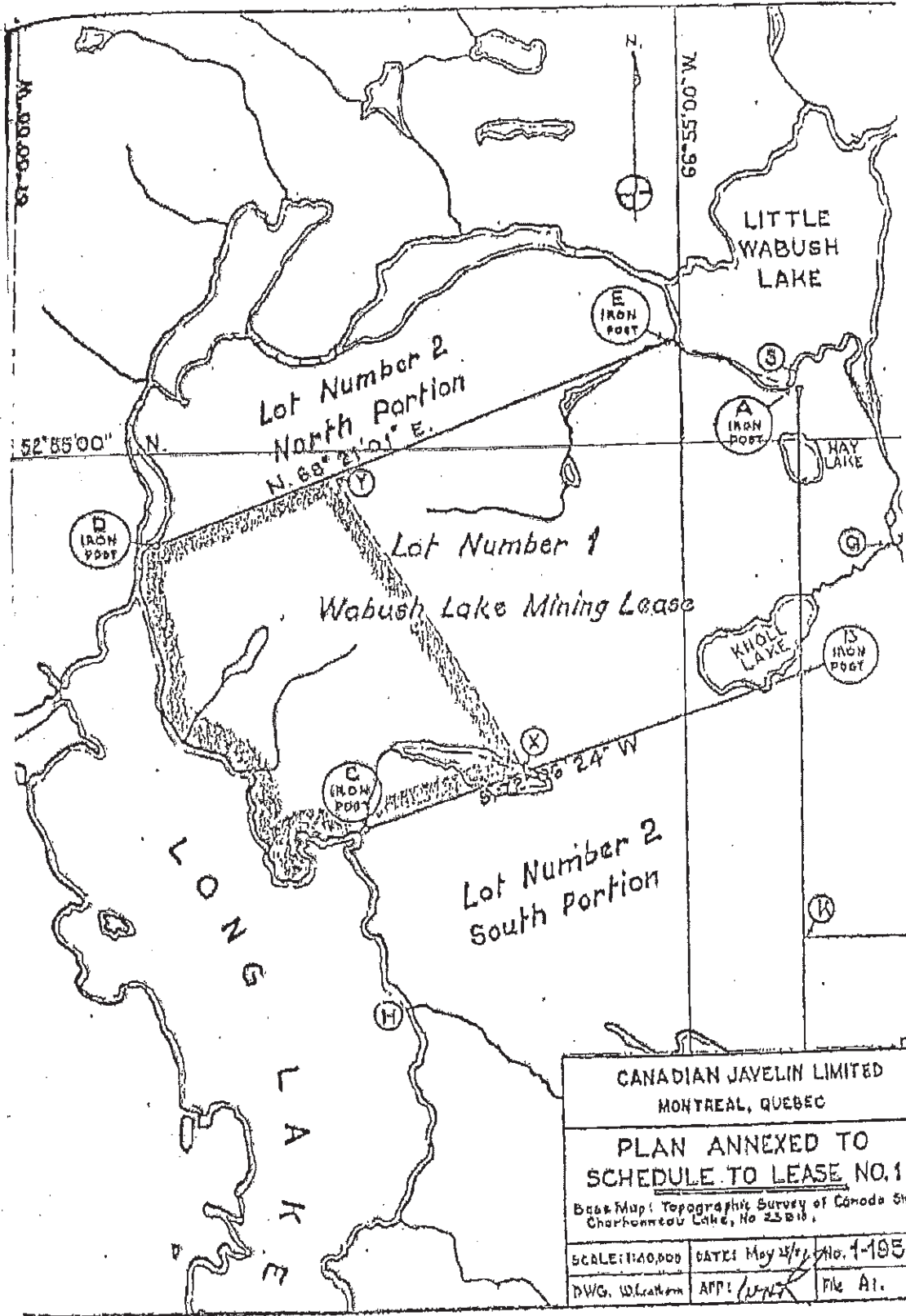
CANADIAN JAVELIN LIMITED MONTREAL, QUEBEC		
PLAN ANNEXED TO SCHEDULE TO LEASE No. 2		
Base Map: Topographic Survey of Canada St. Charbonneau Lake, No. 25 B 10.		
SCALE: 1:40,000	DATE: May 13/77	No. 1-185
DWG. W. Leithen	APPL. W. A. C.	FILE A1.

PLAN

SCHEDULE B

A piece or parcel of land containing an area of approximately two and twenty four hundredths (2.24) square miles situated in Labrador in the province of Newfoundland as generally delineated and outlined in grey upon the Plan annexed to this schedule and being more particularly described as follows:

Referring to Point A (Point A being an iron pin approximately seventy (70) feet to the South of the South shore line of Little Wabush Lake near the intersection of Parallel fifty-two degrees fifty-five minutes fourteen seconds ($52^{\circ}55'14''$) North Latitude with Meridian sixty-six degrees fifty-four minutes nine seconds ($66^{\circ}54'19''$) West Longitude, said intersection being interpolated from Topographic Survey of Canada Map Sheet No. 23B/15, Charbonneau Lake, Newfoundland, Quebec, Advance Information, Scale 1:40,000); thence running Northwesterly along a line bearing North sixty-seven degrees thirty-four minutes forty seconds ($67^{\circ}34'40''$) West a distance of three thousand five hundred sixty-eight and six hundredths (31,568.06) feet more or less to Point B (Point B being an iron pin on the North bank of a stream flowing into Little Wabush Lake); thence running Southwesterly along a line bearing South sixty-nine degrees twenty-one minutes one second ($69^{\circ}21'1''$) West a distance of nine thousand six hundred forty-five and seventeen hundredths (9,645.17) feet more or less to Point Y (Point Y being the point of beginning); thence running in a Southeasterly direction along a line bearing South thirty-one degrees twenty-eight minutes ten seconds ($31^{\circ}28'10''$) East a distance of nine thousand three hundred thirty-four and sixty-five hundredths (9,334.65) feet more or less to Point X; thence running in a Southwesterly direction along a line bearing South seventy-two degrees six minutes twenty-four seconds ($72^{\circ}6'24''$) West a distance of four thousand seven hundred twenty-six and twenty-seven hundredths (4,726.27) feet more or less to Point C (Point C being an iron pin on the South bank of a stream flowing into Long Lake); thence running in a Southwesterly direction along said last mentioned line a distance of approximately twenty (20) feet to the intersection of said last mentioned line with the East shore line of Long Lake; thence running in a Northerly direction along the East shore line of Long Lake and the East shore line of a stream flowing from Long Lake into Little Wabush Lake to the point of intersection of the aforesaid shore line of a stream running through Point D, hereinafter described, said last mentioned line having a bearing of South sixty-nine degrees twenty-one minutes one second ($69^{\circ}21'1''$) West; thence running Northeasterly along said last mentioned line a distance of approximately forty (40) feet to Point D (Point D being an iron pin); thence running in a Northeasterly direction on a line bearing North sixty-nine degrees twenty-one minutes one second ($69^{\circ}21'1''$) East a distance of five thousand seven hundred thirty-six and twenty-four hundredths (5,736.24) feet more or less to Point Y, the point of beginning; all bearings being referred to the True Meridian; and subject nevertheless to the right of way of the Wabush Lake Railway Company, Limited.



CANADIAN JAVELIN LIMITED
 MONTREAL, QUEBEC

PLAN ANNEXED TO
 SCHEDULE TO LEASE NO. 1

Base Map: Topographic Survey of Canada Sh
 Charbonneau Lake, No 23 B 10

SCALE: 1:40,000	DATE: May 24/51	No. 1-1951
DWG. Wheaton	APP: [Signature]	File A1.

PLAN

D

Seed of
Confidential

THIS INDENTURE made as of the 5th day of November, 2010.

BETWEEN 4347226 CANADA INC. (formerly named HLE MINING GP INC.) ("4347226"), a corporation incorporated under the laws of Canada and duly qualified to transact business in the Province of Newfoundland and Labrador, Canada, as former general partner of HLE MINING LIMITED PARTNERSHIP (the Partnership hereinafter called "HLE"), a limited partnership under the laws of the Province of Ontario

As Assignor herein of the first part

AND WABUSH RESOURCES INC., a corporation incorporated under the laws of Canada and duly qualified to transact business in the Province of Newfoundland and Labrador, (hereinafter called "WRI")

As Assignee herein of the second part

AND WABUSH IRON CO. LIMITED, a corporation organized under the laws of the State of Ohio, United States of America, and duly qualified to transact business in the Province of Newfoundland and Labrador, Canada (hereinafter called "Wabush Iron")

As Intervenor herein of the third part

WHEREAS:

- A. HLE, WRI and Wabush Iron carry on a mining business near the Town of Wabush, Labrador, in the Province of Newfoundland and Labrador (the "Province") as a joint venture under the name of Wabush Mines, Cliffs Mining Company, Managing Agent pursuant to the terms of a joint venture agreement by and among Wabush Iron, Dofasco Inc. (as predecessor of WRI) and Stelco Inc. (as predecessor of HLE) dated as of January 1, 1967 (hereinafter called the "Joint Venture Agreement");
- B. By an Indenture of Confirmation (the "Indenture") dated December 21, 2009 and registered on January 22, 2010 as No. 370060 at the Registry of Deeds for the Province and registered on January 25, 2010 in Volume 23, Folio 189 at the Mineral Claims Recorder of the Department of Natural Resources for the Province, and made between U.S. Steel Canada Inc. ("USSC") as assignor, HLE Mining GP Inc. (now 4347226) as general partner of HLE as assignee, and Wabush Iron, ArcelorMittalDofasco Inc. and WRI as Intervenor pursuant to the Joint Venture

Agreement, USSC as assignor confirmed the transfer to HLE Mining GP Inc. (now 4347226) as general partner of HLE as assignee of an undivided 44.6% share in and to the real property rights, including surface rights and mineral rights, (the "Assigned Properties") located at or near Wabush, Labrador, in the Province and more particularly described in the Indenture and in Schedules "A", "B", "C", "D", "E", "F" and "G" hereto annexed (and in the rights and benefits of USSC under the Assigned Agreements described in the Indenture) as tenant in common with Wabush Iron and WRI on the terms of and subject to the conditions described in the Indenture for all the residue then unexpired and then to come of the term created by the said Assigned Agreements therein described, and the said Intervenor consented to the confirmation, transfer and assignment to HLE Mining GP Inc. (now 4347226) as general partner of HLE

- C. HLE GP Inc. changed its name on May 20, 2010 to 4347226 Canada Inc. by filing Articles of Amendment under the *Canada Business Corporations Act*.
- D. 4347226 desires to transfer, convey and assign its 44.6% undivided share in the Assigned Properties as more particularly described in the Indenture and in Schedules "A", "B", "C", "D", "E", "F" and "G" hereto annexed (and the rights and benefits of HLE under the Assigned Agreements described in the Indenture) to WRI as tenant in common with Wabush Iron (to the intent and purpose that the undivided share of WRI in and to the Assigned Properties and the Assigned Agreements shall be increased from 28.57% to 73.17% and its obligations and liabilities under and in respect thereof shall be in the same proportion, it being understood and agreed that the obligations and liabilities of WRI as a result of the said transfer and assignment are several and not joint nor joint and several)
- E. Wabush Iron (the "Intervenor") desires to confirm its consent to the said confirmation, transfer and assignment.

NOW THEREFORE THIS INDENTURE WITNESSETH that for and in consideration of the sum of One dollar (\$1.00) paid by WRI as Assignee, to 4347226 as Assignor, on or before the execution of these presents (the receipt whereof on the part of 4347226 is hereby

- 3 -


acknowledged) 4347226 hereby conveys, transfers and assigns unto WRI an undivided 44.6% share in and to the Assigned Properties as more particularly described in Schedules "A", "B", "C", "D", "E", "F" and "G" hereto, (and the rights and benefits of 4347226 under the Assigned Agreements, accrued or otherwise) as tenant in common with Wabush Iron (to the intent and purpose that the undivided share of WRI in and to the Assigned Properties and the Assigned Agreements shall be increased from 28.57% to 73.17% and its obligations and liabilities under and in respect thereof shall be in the same proportion, it being understood and agreed that the obligations and liabilities of WRI as a result of the said transfer and assignment are several and not joint nor joint and several) TO HOLD the said undivided 44.6% share in and to the Assigned Agreements (and the rights and benefits of 4347226 thereunder, accrued or otherwise) and the Assigned Properties hereby assigned unto WRI, as tenant in common with Wabush Iron, for all the residue now unexpired and yet to come of the term created by the Assigned Agreements subject henceforth to the payment of the rent reserved by and to the conditions contained in the Assigned Agreements and to the performance and observance of the covenants on the part of the lessee under the Assigned Agreements, and WRI will at all times hereafter keep Wabush Iron indemnified against all proceedings, costs, claims and expenses whatsoever in respect of the Assigned Agreements and covenants or in anywise relating thereto (it being understood that the obligations of WRI in respect of such indemnification shall be several not joint nor joint and several and shall be in proportion to its undivided share in the Assigned Agreements) EXCEPTING AND RESERVING OUT OF THIS CONFIRMATION, TRANSFER AND ASSIGNMENT all portions of the Assigned Properties which have since January 1, 1967 been sold, assigned or conveyed by Wabush Iron, WRI, HLE, USSC and/or ArceelorMittalDofasco Inc. to any third party in deeds of sale, assignment or conveyance registered at the Registry of Deeds for the Province of Newfoundland and Labrador;

AND Wabush Iron as Intervenor hereby consents to the confirmation, transfer and assignment made herein.

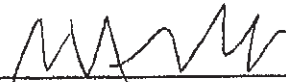
IN WITNESS WHEREOF the said parties hereto have caused this Indenture to be duly executed as of the day and year first above written.

EXECUTED BY THE PARTIES
HERE TO IN THE PRESENCE OF:

4347226 CANADA INC.



BY



THOMAS H. FERNS
Secretary

WABUSH RESOURCES INC.

WABUSH IRON CO. LIMITED

EXECUTED BY THE PARTIES
HERETO IN THE PRESENCE OF:

4347226 CANADA INC.

BY _____
THOMAS H. FERNS
Secretary

WABUSH RESOURCES INC.

Jeremy A. Zelwin
Jeremy A. Zelwin

James D. Graham
James D. Graham
Assistant Secretary

WABUSH IRON CO. LIMITED

Jeremy A. Zelwin
Jeremy A. Zelwin

James D. Graham
James D. Graham
Secretary

Sch. A – G Property Descriptions

000002

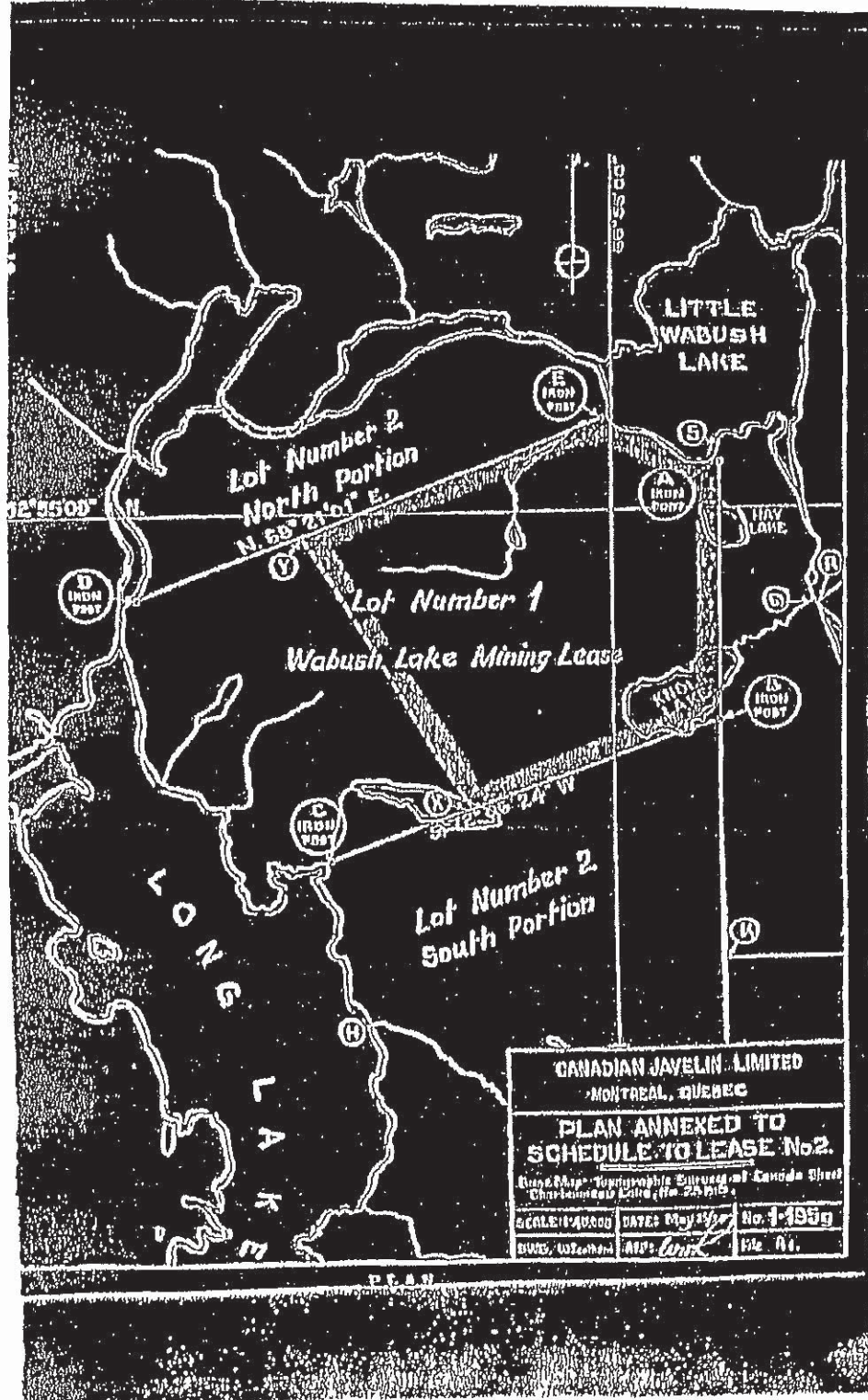
SCHEDULE A

5199

A piece or parcel of land containing an area of approximately three and thirty-six hundredths (3.36) square miles situated in Labrador in the Province of Newfoundland as generally delineated and outlined in Grey upon the Plan annexed to this schedule and being more particularly described as follows:

Beginning at Point A (Point A being an iron pin approximately seventy (70) feet to the South of the South shore line of Little Wabush Lake near the intersection of Parallel fifty-two degrees fifty-five minutes fourteen seconds ($52^{\circ}55'14''$) North Latitude with Meridian sixty-six degrees fifty-four minutes nine seconds ($66^{\circ}54'9''$) West Longitude, said intersection being interpolated from Topographic Survey of Canada Map Sheet No. 23B/15 Charloisneau Lake, Newfoundland, Quebec, Advance Information, Scale 1:40,000); thence running true South seven thousand five hundred ninety-six and fifty-eight hundredths ($7,596.58$) feet more or less to Point B (Point B being an iron pin approximately two hundred and sixty-seven (267) feet to the South of the south shore line of Knoll Lake); thence running in a Southwesterly direction along a line bearing South seventy-two degrees six minutes twenty-four seconds ($72^{\circ}6'24''$) West a distance of seven thousand eight hundred twenty-nine and forty-two hundredths ($7,829.42$) feet more or less to Point X; thence running in a Northwesterly direction along a line bearing North thirty-one degrees twenty-eight minutes ten seconds ($31^{\circ}28'10''$) West a distance of nine thousand three hundred thirty-four and sixty-five hundredths ($9,334.65$) feet more or less to Point Y; thence in a Northeasterly direction along a line bearing North sixty-nine degrees twenty-one minutes one second ($69^{\circ}21'1''$) East a distance of nine thousand six hundred and forty-five and seventeen hundredths ($9,645.17$) feet more or less to Point E (Point E being an iron pin on the North bank of a stream flowing into Little Wabush Lake); thence running along said last mentioned line a distance of approximately forty (40) feet to its intersection with the shore line of Little Wabush Lake; thence running Southeasterly along the South shore line of Little Wabush Lake to a point true North of Point A; thence running a distance of approximately seventy (70) feet true South to Point A, the point of beginning; all bearings being referred to the True Meridian; and subject nevertheless to the right of way of The Wabush Lake Railway Company Limited.

000003



CANADIAN JAVELIN LIMITED
MONTREAL, QUEBEC

PLAN ANNEXED TO
SCHEDULE TO LEASE No. 2.

Base Map: Topographic Bureau of Canada Sheet
 Charlevoix 100, No. 25 1919

SCALE: 1:4000	DATE: May 1977	No. 1-195g
DWG. No. 1000	APP. Link	File A4

000004

SCHEDULE B

A piece or parcel of land containing an area of approximately two and twenty four hundredths (2.24) square miles situated in Labrador in the Province of Newfoundland as generally delineated and outlined in grey upon the Plan annexed to this schedule and being more particularly described as follows:

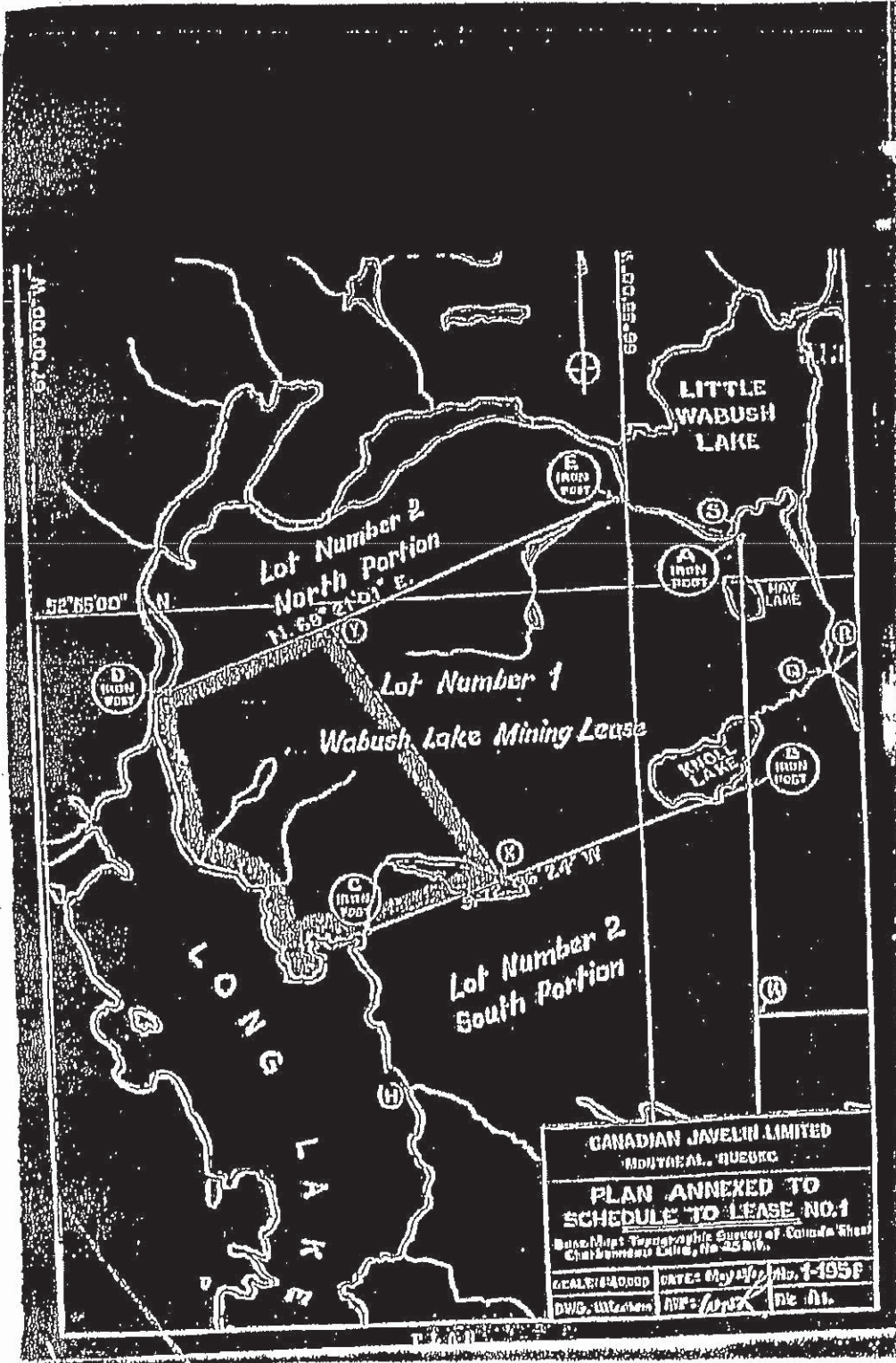
Referring to Point A (Point A being an iron pin approximately seventy (70) feet to the South of the South shore line of Little Wabush Lake near the intersection of Parallel fifty-two degrees fifty-five minutes fourteen seconds (52°55'14") North Latitude with Meridian sixty-six degrees fifty-four minutes nine seconds (66°54'9") West Longitude, said intersection being interpolated from Topographic Survey of Canada Map Sheet No. 23B/15, Charbonneau Lake, Newfoundland, Quebec, Advance Information, Scale 1:40,000); thence running Northwesterly along a line bearing North sixty-seven degrees thirty-four minutes forty seconds (67°34'40") West a distance of three thousand five hundred sixty-eight and six hundredths (3,568.06) feet more or less to Point E (Point E being an iron pin on the North bank of a stream flowing into Little Wabush Lake); thence running Southwesterly along a line bearing South sixty-nine degrees twenty-one minutes one second (69°21'1") West a distance of nine thousand six hundred forty-five and seventeen hundredths (9,645.17) feet more or less to Point Y (Point Y being the point of beginning); thence running in a Southeasterly direction along a line bearing South thirty-one degrees twenty-eight minutes ten seconds (31°28'10") East a distance of nine thousand three hundred thirty-four and sixty-five hundredths (9,334.65) feet more or less to Point X; thence running in a Southwesterly direction along a line bearing South seventy-two degrees six minutes twenty-four seconds (72°6'24") West a distance of four thousand seven hundred twenty-six and twenty-seven hundredths (4,726.27) feet more or less to Point C (Point C being an iron pin on the South bank of a stream flowing into Long Lake); thence running in a Southwesterly direction along said last mentioned line a distance of approximately twenty (20) feet to the intersection of said last mentioned line with the East shore line of Long Lake; thence running in a Northerly direction along the East shore line of Long Lake and the East shore line of a stream flowing from Long Lake into Little Wabush Lake to the point of intersection of the aforesaid shore line with a line running through Point D, hereinafter described, said last mentioned line having a bearing of South sixty-nine degrees twenty-one minutes one second (69°21'1") West; thence running Northeasterly along said last mentioned line a distance of approximately forty (40) feet to Point D (Point D being an iron pin); thence running in a North-easterly direction on a line bearing North sixty-nine degrees twenty-one minutes one second (69°21'1") East a distance of five

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thousand seven hundred thirty-six and twenty-four hundredths
(5,736.24) feet more or less to Point Y, the point of beginning;
all bearings being referred to the True Meridian; and subject
nevertheless to the right of way of the Wabush Lake Railway
Company, Limited.

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SCHEDULE B

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SCHEDULE ALOT NUMBER 2 DESCRIPTION

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A piece or parcel of land containing an area of approximately five and eighty-six hundredths (5.86) square miles situated in Labrador in the Province of Newfoundland as generally delineated and outlined in grey upon the Plan annexed to this Schedule and being more particularly described as follows:

Beginning at Point A (Point A being an iron pin approximately seventy (70) feet to the South of the South shore line of Little Wabush Lake near the intersection of Parallel fifty-two degrees fifty-five minutes fourteen seconds ($52^{\circ}55'14''$) North Latitude with Meridian sixty-six degrees fifty-four minutes nine seconds ($66^{\circ}54'09''$) West Longitude, said intersection being interpolated from Topographic Survey of Canada Map Sheet No. 23 B/15 Charbonneau Lake, Newfoundland, Quebec, Advance Information, Scale 1:40,000); thence running true South to Point B, the point of intersection of the aforesaid South bearing line with the North shore line of Jordan Lake; thence Northwesterly following the sinuosities of the North shore line of Jordan Lake and the North shore line of the stream flowing from Jordan Lake to Long Lake to Point H, a point on the East shore line of Long Lake at the intersection of the North shore line of the aforesaid stream with the East shore line of Long Lake; thence Northwesterly and Easterly following the sinuosities of the East shore line of Long Lake, the East and South shore line of the river flowing from Long Lake to Little Wabush Lake and the Southwest shore line of Little Wabush Lake to Point S, a point true North of Point A; thence running a distance of approximately seventy (70) feet true South to Point A, the point of beginning, excepting nevertheless out of the above described land the land designated upon the plan annexed hereto as Lot No. 1.

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(Wabush Lake Mining Lease) and described as follows:

Beginning at Point A aforesaid, thence running true South seven thousand five hundred ninety-six and fifty-eight hundredths (7,596.98) feet more or less to Point B (Point B being an iron pin approximately two hundred sixty-seven (267) feet to the South of the South shore line of Inoll Lake); thence running in a Southwesterly direction along a line bearing South seventy-two degrees six minutes twenty-four seconds ($72^{\circ}06'24''$) West a distance of twelve thousand five hundred fifty-five and sixty-nine hundredths (12,555.69) feet more or less to Point C (Point C being an iron pin on the South bank of a stream flowing into Long Lake); thence running Southwesterly along the said last mentioned line a distance of approximately twenty (20) feet to the intersection of said line with the East shore line of Long Lake; thence running in a Northerly direction along the East shore line of Long Lake and the East shore line of a stream flowing from Long Lake into Little Wabush Lake to the point of intersection of the aforesaid shore line of said stream with a line running through Point D hereinafter described, said line having a bearing of South sixty-nine degrees twenty-one minutes one second ($69^{\circ}21'01''$) West; thence running in a Northerly direction along said last mentioned line a distance of approximately forty (40) feet to Point D (Point D being an iron pin); thence running in a Northeasterly direction along said line, bearing North sixty-nine degrees twenty-one minutes one second ($69^{\circ}21'01''$) East, a distance of fifteen thousand three hundred eighty-one and forty-one hundredths (15,381.41) feet more or less to Point E (Point E being an iron pin on the North bank of a stream flowing into Little Wabush Lake); thence running along said last mentioned line approximately forty (40) feet to its intersection with the shore line of Little

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- 3 -

Wabuch Lake; thence running Southeasterly along the South shore line of Wabuch Lake to a point true North of Point A; thence running approximately seventy (70) feet true South to Point A, the point of beginning; all bearings being referred to the True Meridian.

LOT NUMBER 3 DESCRIPTION

A piece or parcel of land containing an area of approximately ten and twenty-eight hundredths (10.28) square miles situated in Labrador in the Province of Newfoundland as generally delineated and outlined in gray upon the Plan annexed to this Schedule and being more particularly described as follows:

Beginning at Point A (Point A, being an iron pin approximately seventy (70) feet to the South of the South shore line of Little Wal Lake near the intersection of Parallel fifty-two degrees fifty-five fourteen seconds ($52^{\circ}55'14''$) North Latitude with Meridian sixty-six fifty-four minutes nine seconds ($66^{\circ}54'9''$) West Longitude); thence running true South along the eastern boundary of Lot Number 1 Wabuch Mining Lease referred to in the above description of Lot Number 2 to Point B (Point B being an iron pin approximately two hundred sixty-seven (267) feet to the South of the South shore line of Knoll Lake); thence running true South along the Eastern boundary of Lot Number 2 to Point C (Point C being near the intersection of Parallel fifty-two degrees two minutes forty-nine seconds ($52^{\circ}02'49''$) North Latitude with Meridian sixty-six degrees fifty-four minutes nine seconds ($66^{\circ}54'9''$) West Longitude) and being more particularly the point of intersection of the aforesaid South bearing line with a line bearing true West and passing through Point D, the most Northerly point on the North shore line of the Wabuch Lake); thence running on a line bearing true East and

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- 4 -

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through Point I to Point M (Point M being a point on the West shore line of Flora Lake at its intersection with the aforesaid East bearing line passing through Point J); thence running in a Northwesterly direction following the sinuosities of the West shore line of Flora Lake to Point N (Point N being a point near the intersection of Parallel fifty-two degrees fifty-five minutes fifty-six seconds ($52^{\circ}55'56''$) North Latitude with Meridian sixty-six degrees fifty minutes fourteen seconds ($66^{\circ}50'14''$) West Longitude and being more particularly the point at which the West shore line of Flora Lake meets the South shore line of a small stream flowing into Flora Lake from an unnamed lake as shown on the Plan hereto attached); thence following a line bearing approximately South fifty-three degrees forty minutes ($53^{\circ}40'$) West to Point Q (Point Q being a point near the intersection of Parallel fifty-two degrees fifty-four minutes forty-two seconds ($52^{\circ}54'42''$) North Latitude with Meridian sixty-six degrees fifty-three minutes twenty-four seconds ($66^{\circ}53'24''$) West Longitude and being more particularly the point at which the West shore line of Jean River meets the North shore line of the stream flowing easterly from Knoll Lake into Jean River); thence running Northerly and Southwesterly following the sinuosities of the West shore line of Jean River and the South shore line of Little Nabush Lake to Point S (Point S being a point on the South shore line of Little Nabush Lake bearing true North to Point A); thence running true South to Point A, the point of beginning; all bearings being referred to the True Meridian and all intersections of Latitude and Longitude being interpolated from Topographic Survey of Canada Map Number 23 B/15 Charbonneau Lake, Newfoundland, Quebec, Advance Information, Series L-40,000; subject nevertheless to the right-of-way of the Nabush Lake Railway Company, Timmins.

TOP NUMBER 1. DESCRIPTION

A piece or parcel of land containing an area of approximately

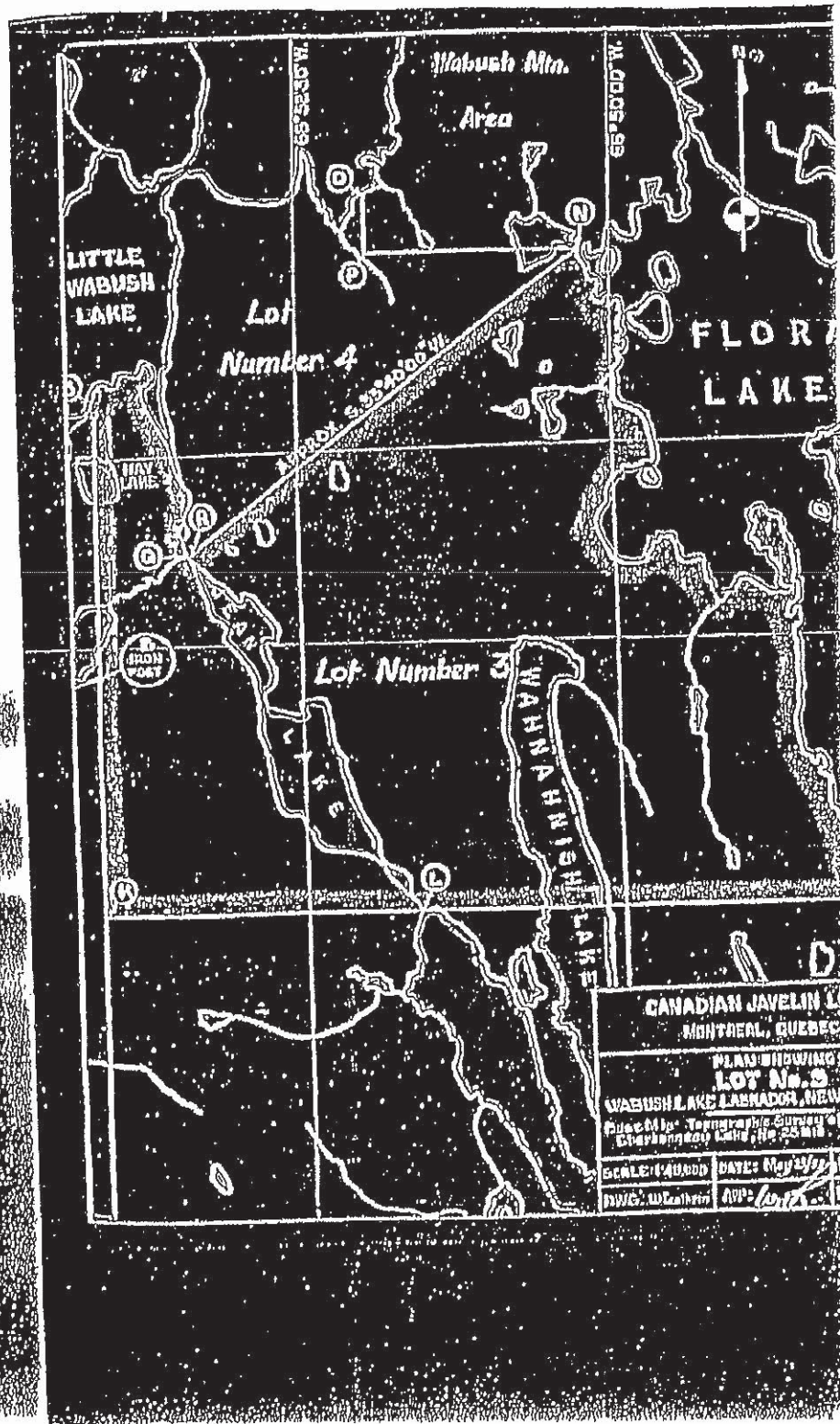
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- 5 -

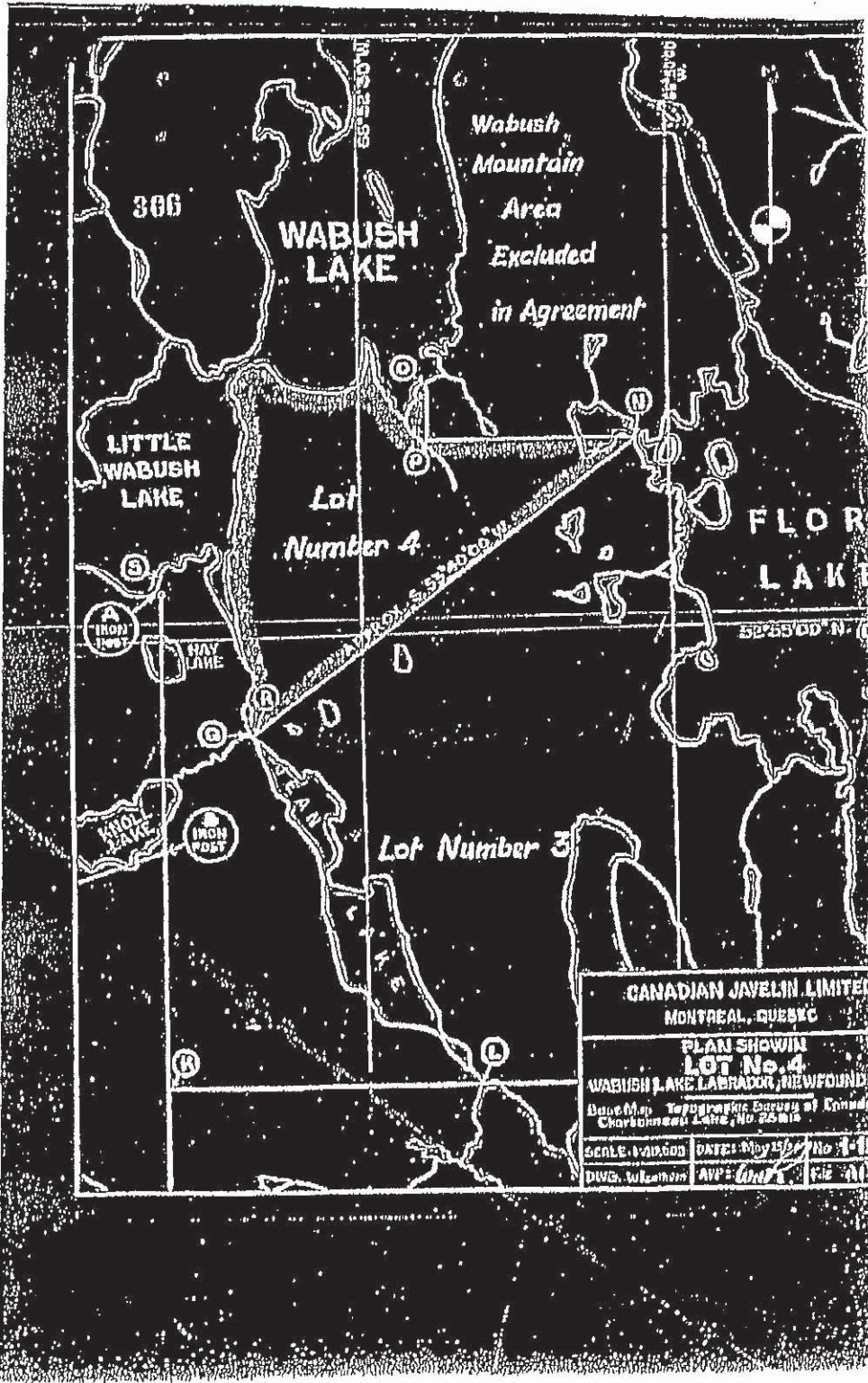
two and three tenths (2.3) square miles situated in Labrador in the Province of Newfoundland as generally delineated and outlined in grey upon the Plan annexed to this Schedule and being more particularly described as follows:

Beginning at Point N (Point N being a point near the intersection of Parallel Fifty-two degrees fifty-five minutes fifty-six seconds ($52^{\circ}55'56''$) North Latitude with Meridian sixty-six degrees fifty minutes fourteen seconds ($66^{\circ}50'14''$) West Longitude, said intersection being interpolated from Topographic Survey of Canada Map Sheet No. 23 Dumbarton Lake, Newfoundland, Quebec, Advance Information, Scale 1:40,000, and being the Northeast corner of Lot Number 3 hereinabove described and being more particularly the intersection of the West side line of Flora Lake with the South shore line of a small stream flowing into Flora Lake from an unnamed lake as shown on the Plan annexed hereunto; thence running true West a distance of five thousand five hundred (5,500) feet more or less to Point P; thence running true North to Point O (Point O being a point on the South shore line of Wabush Lake at the intersection of the said South shore line of Wabush Lake with a line bearing true North through Point P); thence running Westerly and Southerly following the sinuosities of the South shore lines of Wabush Lake, the narrows between Wabush Lake and Little Wabush Lake, Little Wabush Lake and of East shore line of Jean River to Point R (Point R being a point on the Northwest boundary of said Lot Number 3 at the point of intersection said boundary with the East shore line of Jean River); thence running Northeastery on a line bearing approximately North fifty-three degrees forty minutes ($53^{\circ}40'$) East along the aforementioned Northwest boundary of said Lot Number 3 to Point N, the point of beginning; all bearings being referred to the True Meridian; subject nevertheless to the right-of-way of The Wabush Lake Railway Company Limited.

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SCHEDULE C

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SCHEDULE

KNOEL LAKE AREA

LOT NUMBER 2

A piece or parcel of land containing an area of approximately five and eighty-six hundredths (5.86) square miles situated in Labrador in the Province of Newfoundland as generally delineated and outlined in grey upon the plan annexed to this Schedule and being more particularly described as follows:

Beginning at Point A (Point A being an iron pin approximately seventy (70) feet to the South of the South shore line of Little Wabush Lake near the intersection of Parallel fifty-two degrees fifty-five minutes fourteen seconds ($52^{\circ}55'14''$) North Latitude with Meridian sixty-six degrees fifty-four minutes nine seconds ($66^{\circ}54'9''$) West Longitude, said intersection being interpolated from Topographic Survey of Canada Map Sheet No. 25B/15 Charbonneau Lake, Newfoundland, Quebec, Advance Information, Scale 1:40,000); thence running true South to Point B, the point of intersection of the aforesaid South bearing line with the North shore line of Riordan Lake; thence Northwesterly following

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the sinuosities of the North shore line of Riordan Lake and the North shore line of the stream flowing from Riordan Lake to Long Lake to Point H, a point on the East shore line of Long Lake at the intersection of the North shore line of the aforesaid stream with the East shore line of Long Lake; thence Northerly and Easterly following the sinuosities of the East shore line of Long Lake, the East and South shore line of the river flowing from Long Lake to Little Wabush Lake and the Southwest shore line of Little Wabush Lake to Point B, a point true North of Point A; thence running a distance of approximately seventy (70) feet true South to Point A, the point of beginning, excepting nevertheless out of the above described land the land designated upon the plan annexed hereto as Lot No. 1 (Wabush Lake Mining Lease) and described as follows:

Beginning at Point A aforesaid, thence running true South seven thousand five hundred ninety-six and fifty-eight hundredths (7,596.58) feet more or less to Point B (Point B being an iron pin approximately two hundred sixty-seven

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(267) feet to the South of the South shore line of Knoll Lake); thence running in a Southwesterly direction along a line bearing South seventy-two degrees six minutes twenty-four seconds ($72^{\circ}06'24''$) West a distance of twelve thousand five hundred fifty-five and sixty-nine hundredths (12,555.69) feet more or less to Point C (Point C being an iron pin on the South bank of a stream flowing into Long Lake); thence running Southwesterly along the said last mentioned line a distance of approximately twenty (20) feet to the intersection of said line with the East shore line of Long Lake; thence running in a Northerly direction along the East shore line of Long Lake and the East shore line of a stream flowing from Long Lake into Little Wabush Lake to the point of intersection of the aforesaid shore line of said stream with a line running through Point D hereinafter described, said line having a bearing of South sixty-nine degrees twenty-one minutes one second ($69^{\circ}21'1''$) West; thence running in a Northeasterly direction along said last mentioned line a distance of approximately forty (40) feet to Point D (Point D being an iron pin); thence running in a Northeasterly direction along said line, bearing



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North sixty-nine degrees twenty-one minutes one second ($69^{\circ}21'1''$) East, a distance of fifteen thousand three hundred eighty-one and forty-one hundredths (15,381.41) feet more or less to Point B (Point B being an iron pin on the North bank of a stream flowing into Little Wabush Lake); thence running along said last mentioned line approximately forty (40) feet to its intersection with the shore line of Little Wabush Lake; thence running Southeasterly along the South shore line of Little Wabush Lake to a point true North of Point A; thence running approximately seventy (70) feet true South to Point A, the point of beginning; all bearings being referred to the True Meridian.

LOT NUMBER 3

A piece or parcel of land containing an area of approximately ten and twenty-eight hundredths (10.28) square miles situated in Labrador in the Province of Newfoundland as generally delineated and outlined in grey upon the plan annexed to this Schedule and being more particularly described as follows:

Beginning at Point A (Point A being an iron pin approximately seventy (70) feet to the

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South of the South shore line of Little Wabush lake near the intersection of Parallel fifty-two degrees fifty-five minutes fourteen seconds ($52^{\circ}55'14''$) North Latitude with Meridian sixty-six degrees fifty-four minutes nine seconds ($66^{\circ}54'9''$) West Longitude); thence running true South along the eastern boundary of Lot Number 1 Wabush Lake Mining Lease referred to in the above description of Lot Number 2 to Point B (Point B being an iron pin approximately two hundred sixty-seven (267) feet to the South of the South shore line of Knoll Lake; thence running true South along the Eastern boundary of Lot Number 2 to Point K (Point K being near the intersection of Parallel fifty-two degrees fifty-two minutes forty-nine seconds ($52^{\circ}52'49''$) North Latitude with Meridian sixty-six degrees fifty-four minutes nine seconds ($66^{\circ}54'9''$) West Longitude and being more particularly the point of intersection of the aforesaid South bearing line with a line bearing true West and passing through Point L, the most Northernly point on the North shore line of the West arm of Whanabish Lake); thence running on a line bearing true East and passing through Point L to Point M (Point M being a point on the West shore line of FLORA

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Lake at its intersection with the aforesaid East bearing line passing through Point I; thence running in a Northwesterly direction following the sinuosities of the West shore line of Flora Lake to Point N (Point N being a point near the intersection of Parallel fifty-two degrees fifty-five minutes fifty-six seconds ($52^{\circ}55'56''$) North Latitude with Meridian sixty-six degrees fifty minutes fourteen seconds ($66^{\circ}50'14''$) West Longitude and being more particularly the point at which the West shore line of Flora Lake meets the South shore line of a small stream flowing into Flora Lake from an unnamed lake as shown on the plan hereto attached); thence following a line bearing approximately South fifty-three degrees forty minutes ($53^{\circ}40'$) West to Point Q (Point Q being a point near the intersection of Parallel fifty-two degrees fifty-four minutes forty-two seconds ($52^{\circ}54'42''$) North Latitude with Meridian sixty-six degrees fifty-three minutes twenty-four seconds ($66^{\circ}53'24''$) West Longitude and being more particularly the point at which the West shore line of Jean River meets the North shore line of the stream flowing Easterly from Knoll Lake into Jean River); thence

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running Northerly and Southwesterly following the sinuosities of the West shore line of Jean River and the South shore line of Little Wabush Lake to Point B (Point B being a point on the South shore line of Little Wabush Lake bearing true North of Point A); thence running true South to Point A, the point of beginning; all bearings being referred to the True Meridian and all intersections of Latitude and Longitude being interpolated from Topographic Survey of Canada Map Number 23B/15 Charbonneau Lake, Newfoundland, Quebec, Advance Information, Scale 1:40,000; subject nevertheless to the right-of-way of The Wabush Lake Railway Company Limited.

LOT NUMBER 4

A piece or parcel of land containing an area of approximately two and three tenths (2.3) square miles situated in Labrador in the Province of Newfoundland as generally delineated and outlined in grey upon the plan annexed to this Schedule and being more particularly described as follows:

Beginning at Point N (Point N being a point

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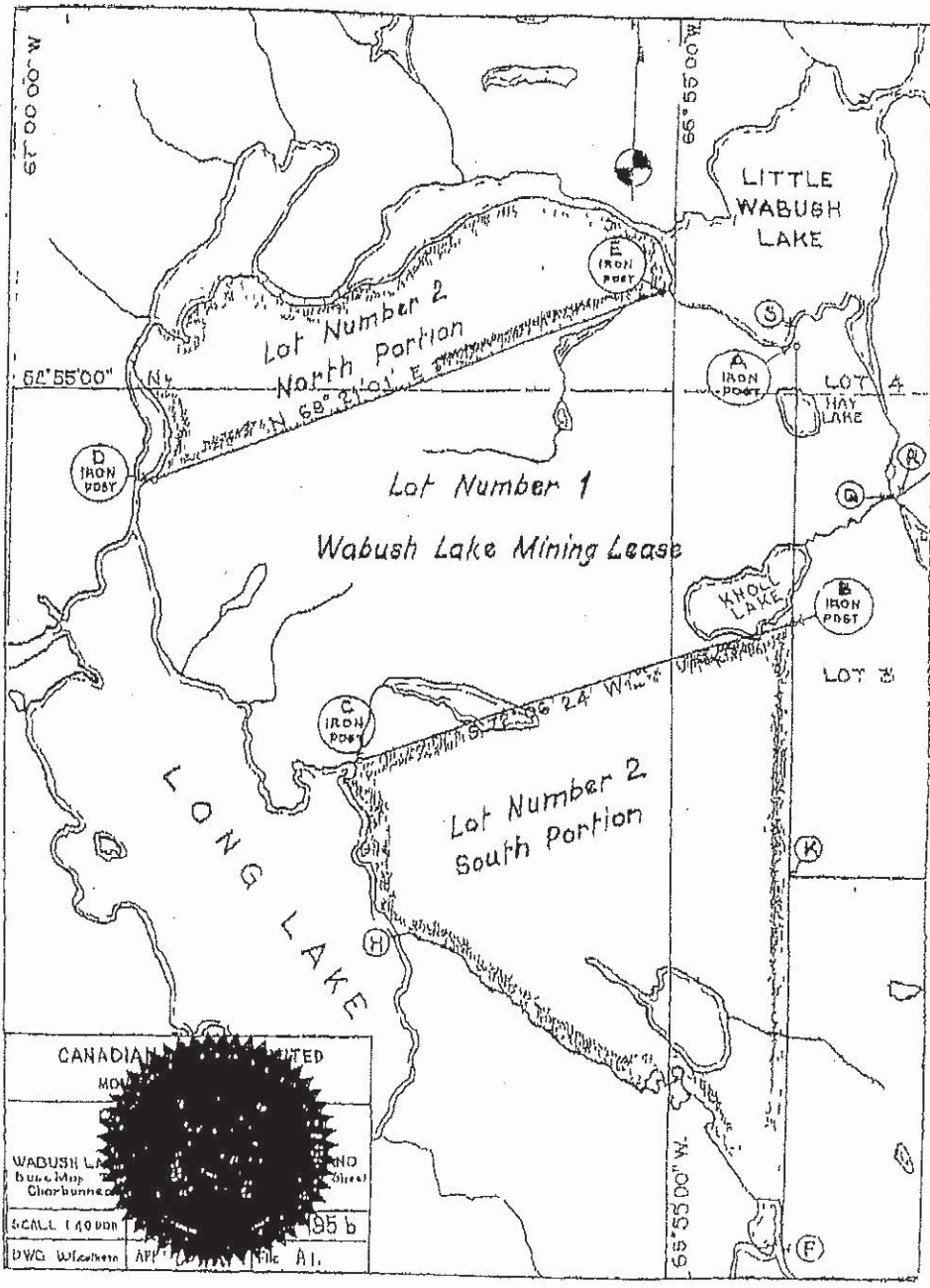
near the intersection of Parallel fifty-two degrees fifty-five minutes fifty-six seconds ($52^{\circ}55'56''$) North Latitude with Meridian sixty-six degrees fifty minutes fourteen seconds ($66^{\circ}50'14''$) West Longitude, said intersection being interpolated from Topographic Survey of Canada Map Sheet No. 23D/15, Charbonneau Lake, Newfoundland, Quebec, Advance Information, Scale 1:40,000, and being the Northeast corner of Lot Number 3 hereinabove described and being more particularly the intersection of the West shore line of Flora Lake with the South shore line of a small stream flowing into Flora Lake from an unnamed lake as shown on the plan annexed hereto); thence running true West a distance of five thousand five hundred ($5,500$) feet more or less to Point F; thence running true North to Point O (Point O being a point on the South shore line of Wabush Lake at the intersection of the said South shore line of Wabush Lake with a line bearing true North through Point F); thence running Westerly and Southerly following the sinuosities of the South shore lines of Wabush Lake, the narrow between Wabush Lake and Little Wabush Lake, Little Wabush Lake and of the East shore line of Jean River to Point R (Point

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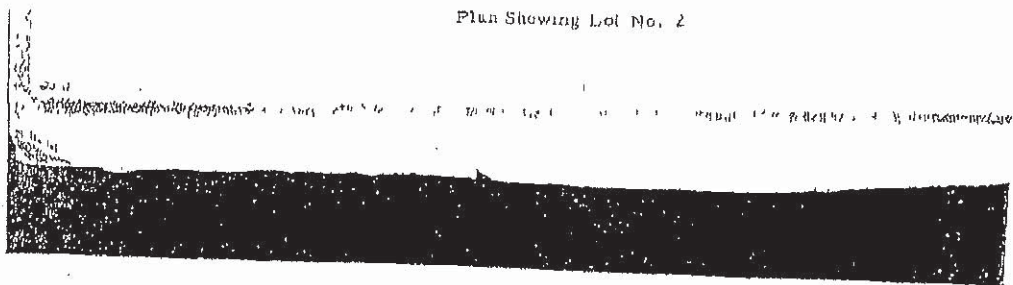
R being a point on the Northwest boundary of said Lot Number 3 at the point of intersection of said boundary with the West shore line of Jean River); thence running Northeasterly on a line bearing approximately North fifty-three degrees forty minutes ($53^{\circ}40'$) East along the aforementioned Northwest boundary of said Lot Number 3 to Point N, the point of beginning; all bearings being referred to the True Meridian, subject nevertheless to the right-of-way of The Wabush Lake Railway Company Limited.



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Plan Showing Lot No. 2



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SCHEDULE D

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WADUSH MOUNTAIN AREA

A piece or parcel of land situated in Labrador in the Province of Newfoundland as shown coloured red on the plan annexed to this Schedule and containing an area of 2018.3 acres described as follows:

Beginning at Point B (Point B being a point near the intersection of Parallel fifty-two degrees fifty-five minutes fifty-six seconds ($52^{\circ}55'56''$) North Latitude with Meridian sixty-six degrees fifty minutes fourteen seconds ($66^{\circ}50'14''$) West Longitude, said intersection being interpolated from Topographic Survey of Canada Map Sheet No. 438/19 Charloisness Lake, Newfoundland, Quebec, Advance Information, Scale 1:40,000 and being the point of intersection of the west shore line of Flora Lake with the south shore line of a small stream flowing into Flora Lake from an unnamed lake as shown on the said plan annexed hereto); thence running west a distance of five thousand five hundred (5500) feet more or less to Point A; thence running North to Point D (Point D being a point on the south shore line of Wadush Lake at the inter-

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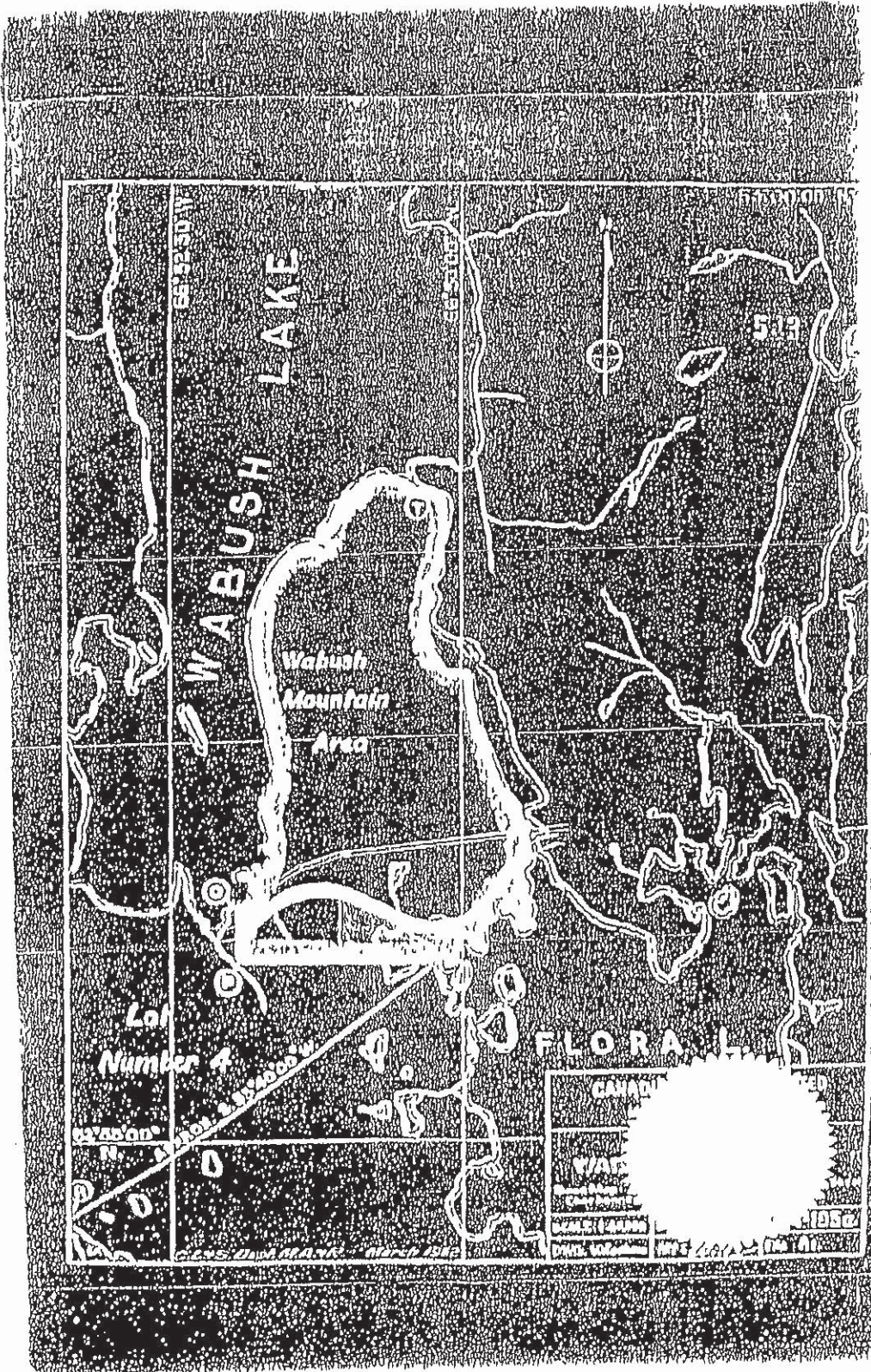
mention of the said south shore line of Wahush
 Lake with a line bearing true north through
 Point 5); thence running northerly and westerly
 following the sinuosities of the east shore line
 of Wahush Lake to Point 3 (Point 3 being the
 point at which the east shore line of Wahush
 Lake meets the west shore line of the river
 flowing from Flora Lake into Wahush Lake as
 shown on the said plan annexed hereto); thence
 running southeasterly following the sinuosities
 of the west shore of the aforementioned river flow-
 ing from Flora Lake into Wahush Lake and the
 west shore line of Flora Lake to Point 4, the
 point of beginning; excepting nevertheless out
 of the piece or parcel of land described above
 that portion of the transmission line right-of-
 way one hundred and thirty feet wide referred
 to in the indenture of November 15th, 1961, made
 between the Government and Hamilton Falls Power
 Corporation Limited which passes through the
 land described above and is even coloured yellow
 on the plan annexed to this Schedule and com-
 prising an area of 27.1 acres; ALSO excepting
 out of the piece or parcel of land described
 above that portion of the railway right-of-way
 of varying width referred to in the Crown Grant

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D/A

of November 28th, 1961, made to Northern Land Company Limited which passes through the land described above and is shown coloured brown on the plan annexed to this schedule and comprising an area of 48.7 acres; ALSO excepting out of the piece or parcel of land described above that area bounded and described as follows: Beginning at Point Y hereinafter described thence running along the south boundary of the piece or parcel of land first described above west three thousand feet thence turning and running north to a point in the southerly limit of the Northern Land Company Limited Railway right-of-way referred to in the second exception mentioned above; thence running in a general easterly direction along the said southerly limit of the Northern Land Company Limited Railway right-of-way adjacent to the intersection with the eastern boundary of the land first described above thence turning and running in a general northwesterly direction along the western and southern boundaries of the land first described above to Point Z the point of beginning as shown coloured green on the plan annexed to this schedule and comprising an area of 13.4 acres. Bearing from the true meridian.

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SCHEDULE E

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SCHEDULE

WABOUBI MOUNTAIN AREA

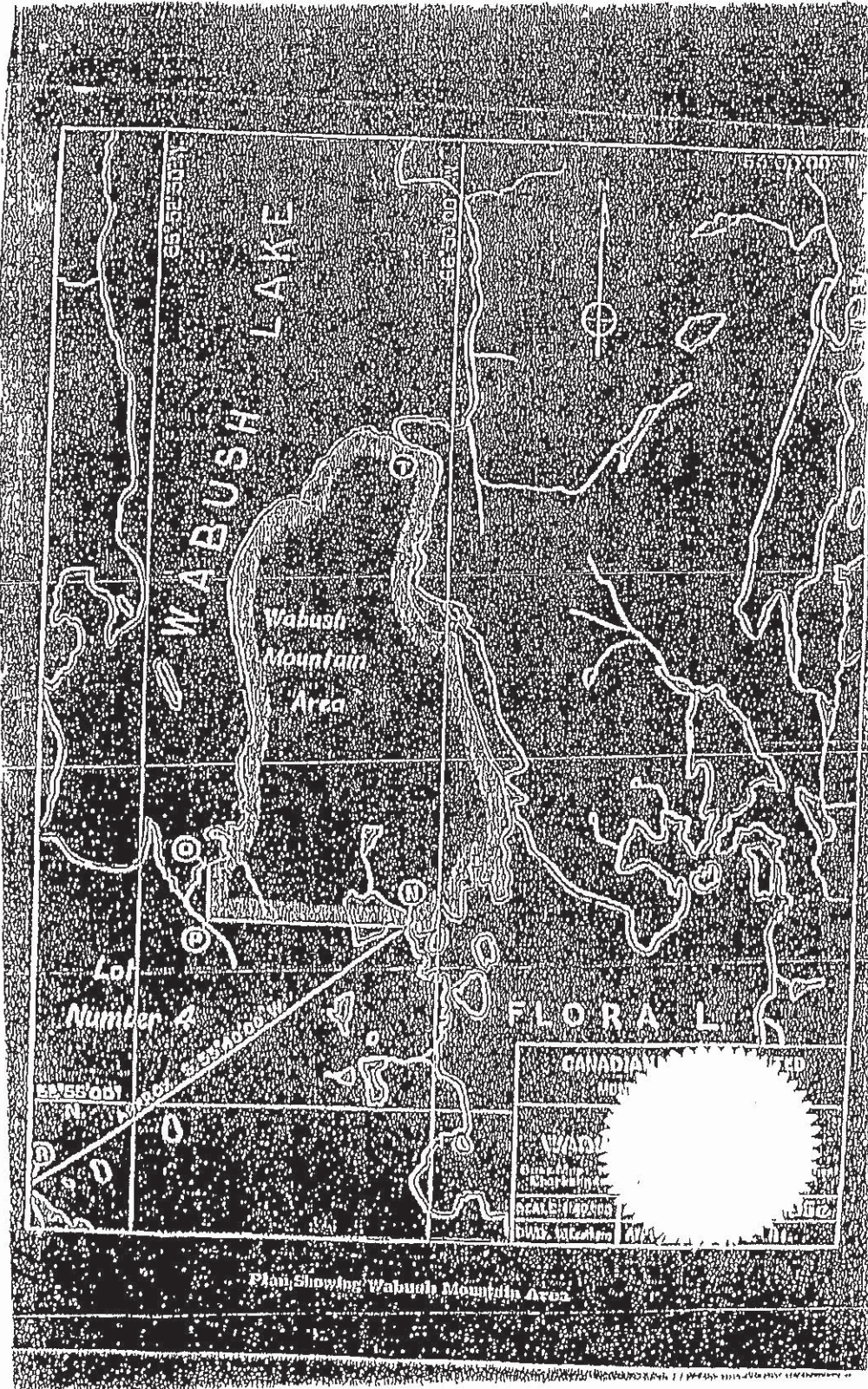
A piece or parcel of land containing an area of approximately three and fifty-two hundredths (3.52) square miles situated in Labrador in the Province of Newfoundland as generally delineated and outlined in grey upon the plan annexed to this Schedule and being more particularly described as follows:

Beginning at Point B (Point B being a point near the intersection of Parallel fifty-two degrees fifty-five minutes fifty-six seconds (52°55'56") North Latitude with Meridian sixty-six degrees fifty minutes fourteen seconds (66°50'14") West Longitude, said intersection being interpolated from Topographic Survey of Canada Map Sheet No. 23D/15, Charbonneau Lake, Newfoundland, Quebec, Advance Information, Scale 1:50,000 and being the point of intersection of the West shore line of Flora Lake with the South shore line of a small stream flowing into Flora Lake from an unnamed lake not shown on the said plan annexed hereto); thence running true West a distance of five thousand five hundred (5500) feet more or less to Point C; thence running true North to Point D (Point D being a point on the

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592 South shore line of Wabush Lake at the intersection of the said South shore line of Wabush Lake with a line bearing true North through Point P; thence running Northerly and Easterly following the sinuosity of the East shore line of Wabush Lake to Point Q (Point Q being the point at which the East shore line of Wabush Lake meets the West shore line of the river flowing from Floss Lake into Wabush Lake as shown on the said plan annexed hereto); thence running Southeasterly following the sinuosity of the West shore line of the aforesaid river flowing from Floss Lake into Wabush Lake and the West shore line of Floss Lake to Point R, the point of beginning; all bearings being referred to the True Meridian.

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Plan Showing Wabush Mountain Area

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SCHEDULE F

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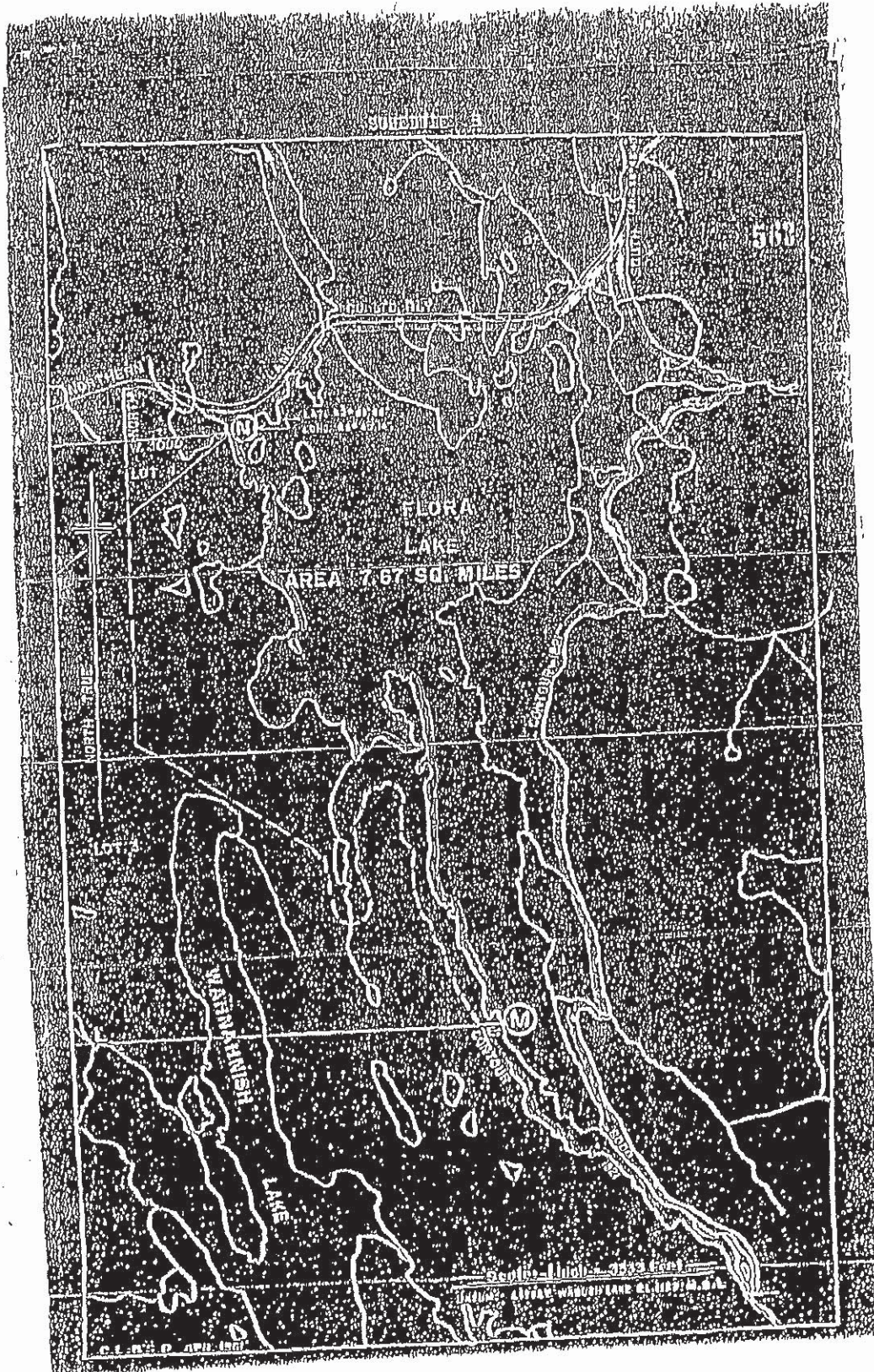
SCHEDULE A.

All the area situate and being at Flora Lake in the District of Yukon North bounded and described as follows: Beginning at point "A" as denoted in a plan or lot Number 4 issued by the Crown to Canadian Lumber Limited on the 28th day of June 1927, the said point being at the intersection of the western shore-line of Flora Lake and the southerly bank or shoreline of a small stream flowing into Flora Lake near the intersection of the parallel of North Latitude $52^{\circ}55'56''$ and the meridian of West Longitude $66^{\circ}50'14''$; thence running along the north boundary of the said lot Number 4 west three thousand feet; thence turning and running by Crown land north to a point in the southerly limit of the right-of-way of the Northern Land Company Limited Railway; thence running in a general westerly direction along the said southerly limit of the railway right-of-way to the meridian of West Longitude $66^{\circ}46'40''$ as the said point is interpolated upon the Topographic Survey of Canada Map Sheet No. 238/15, Charronville Lake; thence

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running south along the said meridian to its intersection with a contour of elevation 1021' (the said contour being based upon a datum near Little Wash Lake established by Canadian Aero Service Limited in September, 1957 and which shows Little Wash Lake at elevation 1727' above mean sea level); thence running along the said contour 1021' in a general southerly direction to its point of intersection with the centerline of the main river flowing into the southernmost angle of Flora Lake, the said point of intersection being 8000 feet approximately in a southerly direction from the said southernmost angle of Flora Lake; thence continuing in a general northwesterly direction along the said contour 1021' to a point in the southern boundary of Lot 3 as described in the aforesaid grant to Canadian Avolin; thence running east along the said southern boundary to the western shoreline of Flora Lake; thence cutting and running along the said western shoreline in a general northerly direction to the point of beginning. The area as above described contains 7.67 square miles. All bearings are assumed to the true meridian.

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SCHEDULE G

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SCHEDULE "A"

ALL THAT piece or parcel of land situate and being on the north shore of Wahnahush Lake in the Electoral District of Labrador West and described as follows: Beginning at point "L" being a concrete monument in the southern boundary of Mining Lease Lot 3 and having co-ordinates of north ninety-two thousand seven hundred and forty-three feet and seventy-three hundredths of a foot and east seventy-nine thousand and sixty-one feet and seventeen hundredths of a foot from Geodetic Station "Lucky" having an assigned value of north one hundred thousand and east one hundred thousand; thence running along the said southern boundary of Mining Lease Lot 3 east one thousand three hundred and twenty-two feet and fifty-two hundredths of a foot; thence turning and running by Crown land south thirty-four degrees fifty-nine minutes forty-six seconds west seven hundred and twenty-five feet and ninety-six hundredths of a foot; thence turning and running in a northwesterly direction and following the sinuosities of the north shore line of Wahnahush Lake to the point of beginning and containing an area of 8.678 acres and being shown outlined in red on the plan or diagram set forth in Schedule "B" hereto, all bearings are referred to the true meridian.

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North 17° 12' E

Sched. 1, B

MINING LEASE LOTS

Area 745.73
± 13.061 17
CON. AMON

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AMANDU

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THE BAYAN CO-ORDINATES GEODETIC STATION
"LUSHY" LAT. 52° 04' 01.18" LONG. 58° 45' 00.12"
HAVING AN ASSIGNED VALUE OF N 100,000.00
± 100,000.00

Scale 1 inch to 300 feet

5117 LOTS - SURVEY DIVISION, O.M.A.R., 1911

CANADA

PROVINCE OF ONTARIO

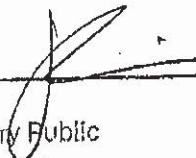
CITY OF HAMILTON

AFFIDAVIT OF STATUS

I, Thomas H. Ferns, of the City of Hamilton, in the Province of Ontario, make oath and say as follows:

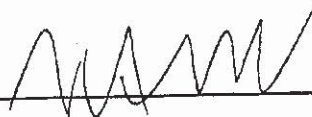
1. That I am the Secretary, of 4347226 Canada Inc., (the "Company") and as such have full knowledge of the facts herein deposed:
2. That the Company is a corporation incorporated under the laws of Canada duly qualified to transact business in the Province of Newfoundland and, Labrador, Canada and has its head office in the City of Hamilton in the Province of Ontario, Canada.
3. That the ownership of a share or an interest in a share of the capital stock of the Company does not entitle any shareholder thereof or his or her spouse to the occupation of the property described in the within instrument and, to the best of my knowledge, information and belief, the property described in the within instrument has never been occupied by any director, officer or shareholder of the Company or by the spouse of any such person as a matrimonial home.
4. That I know of no person having a claim to or an interest in the property described in the within instrument pursuant to the *Family Law Act*, RSNL 1990, c. F-2, as amended.

Toronto
SWORN at the City of ~~Hamilton~~, *Hamilton*
in the Province of Ontario,
this 20th day
of October, 2010
before me:



Notary Public

John Compton Currie
Barrister, Solicitor and Notary Public
Province of Ontario
McCarthy Tétrault LLP
Suite 4700, Toronto-Dominion Bank Tower
Toronto, Ontario
M5K 1E6



THOMAS H. FERNS

CANADA

PROVINCE OF ONTARIO

CITY OF HAMILTON ^{TORONTO} *8*


AFFIDAVIT OF EXECUTION

I, *TZEN-YI GOH* of the City of *TORONTO*, in the Province of Ontario, make oath and say:

1. That Thomas H. Ferns, whose signature is affixed to the within document, is the Secretary of 4347226 Canada Inc., and duly authorized by the said Company to execute same on its behalf;
2. That I am well acquainted with the said Thomas H. Ferns and saw him execute the said document on behalf of the said Company, and I am a subscribing witness thereto.

SWORN before me at the City of ^{Toronto} Hamilton, in the Province of Ontario, this *29th* of *October*, 2010.





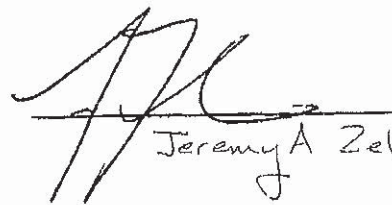
 Notary Public
 John Compton Currie
 Barrister, Solicitor and Notary Public
 Province of Ontario
 McCarthy Tétrault LLP
 Suite 4700, Toronto-Dominion Bank Tower
 Toronto, Ontario
 M5K 1E3

AFFIDAVIT OF EXECUTION

In Jeremy A Zelwin of the City of Cleveland, In the State of Ohio, make oath and say:

1. That James D Graham, whose signature is affixed to the within document, is the Asst. Secretary of WABUSH RESOURCES INC. and duly authorized by the said Company to execute same on its behalf;
2. That I am well acquainted with the said James D Graham and saw him execute the said document on behalf of the said Company, and I am a subscribing witness thereto.

SWORN before me at the City of Cleveland
In the State of Ohio
this 29th day of October, 2010.


Jeremy A Zelwin


Notary Public



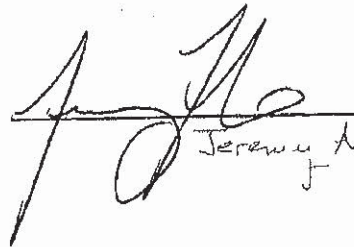
NANCY L. WATTS
NOTARY PUBLIC
STATE OF OHIO
Recorded in
Cuyahoga County
My Comm. Exp 7/24/11

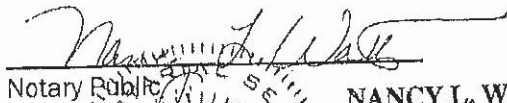
AFFIDAVIT OF EXECUTION

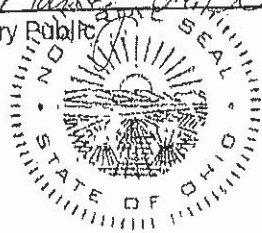
I, Jeremy A. Zolner of the City of Cleveland, in the State of Ohio, make oath and say:

1. That James D. Graham, whose signature is affixed to the within document, is the Secretary of WABUSH IRON CO. LIMITED., and duly authorized by the said Company to execute same on its behalf;
2. That I am well acquainted with the said James D. Graham and saw him execute the said document on behalf of the said Company, and I am a subscribing witness thereto.

SWORN before me at the City of Cleveland, in the State of Ohio this 27th day of October, 2010.


Jeremy A. Zolner


Notary Public



NANCY L. WATTS
NOTARY PUBLIC
STATE OF OHIO
Recorded in
Cuyahoga County
My Comm. Exp 7/24/11

AFFIDAVIT OF VALUE

I, James Graham of the City of Cleveland, in the State of Ohio, make oath and say as follows:

1. That I am the Ass't Sec. of Wabush Resources Inc., and as such I am familiar with the property described in the within instrument.
2. That the value of the property passing under the within instrument does not exceed the sum of nine million five hundred fifty-five thousand and fifty-nine dollars (\$9,555,059.00) to the best of my knowledge, information and belief.

SWORN at the
City of Cleveland in the State of Ohio,
this 29 day of October, 2010
before me:

Nancy L. Watts

Notary Public



NANCY L. WATTS
NOTARY PUBLIC
STATE OF OHIO
Recorded in
Cuyahoga County
My Comm Exp. 7/24/11


James D. Graham
James D. Graham

EXHIBIT "E"

referred to in the Affidavit of

JOE BROKING

Sworn October 9, 2023

DocuSigned by:


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Commissioner for Taking Affidavits
Philip Yang

Tacora Resources Inc.
Consolidated Financial Statements
For the years ended December 31, 2022 and 2021



KPMG LLP
4200 Wells Fargo Center
90 South Seventh Street
Minneapolis, MN 55402

Independent Auditors' Report

Board of Directors
Tacora Resources Inc.:

Qualified Opinion

We have audited the consolidated financial statements of Tacora Resources Inc. and its subsidiaries (the Company), which comprise the consolidated balance sheet as of December 31, 2022, and the related consolidated statements of income (loss) and comprehensive income (loss), changes in equity, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and the results of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis for Qualified Opinion

The Company's supply and spare parts inventory is valued at lower of cost or net realizable value with a total cost of \$29.0M on the consolidated balance sheet as of December 31, 2022. We were unable to obtain sufficient appropriate audit evidence over the quantity of supply and spare parts inventory held by the Company as of December 31, 2022 because of an inability to sufficiently observe the physical inventories. Consequently, we were unable to determine whether any adjustments to the amount were necessary.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Substantial Doubt About the Entity's Ability to Continue as a Going Concern

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the consolidated financial statements, the Company has suffered recurring losses from operations, has cash outflows from operations for the twelve months ended December 31, 2022, and has stated that substantial doubt exists about the Company's ability to continue as a going concern. Management's evaluation of the events and conditions and management's plans regarding these matters are also described in Note 2. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to this matter.

Other Matter

The consolidated financial statements of the Company as of and for the year ended December 31, 2021 were audited by another auditor, who expressed an unmodified opinion on those statements on April 7, 2022.



Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the consolidated financial statements are issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Information Included in the Annual Report

Management is responsible for the other information included in the annual report. The other information comprises the Supplemental Consolidating Balance Sheet Information as of December 31, 2022, but does not include the consolidated financial statements and our auditors' report thereon. Our opinion on the consolidated



financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the consolidated financial statements, or the other information otherwise appears to be materially misstated. We were unable to consider management's description of the matter in the other information with respect to which our opinion on the financial statements has been qualified, as explained in the Basis for Qualified Opinion section. If, based on the work performed, we conclude that any other uncorrected material misstatement of the other information exists, we are required to describe it in our report.

KPMG LLP

Minneapolis, Minnesota
June 1, 2023

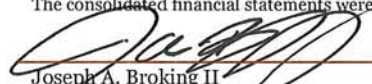
Consolidated balance sheets

(expressed in thousands of US Dollars, except where otherwise noted)

	Notes	Dec 31, 2022	Dec 31, 2021
Current assets			
Cash	5	6,848	34,883
Receivables	6	8,897	10,530
Inventories	7	33,743	19,029
Transportation deposits, current portion	12	-	7,740
Prepaid expenses and other current assets	8	1,740	4,641
Assets held for sale	24	39,948	-
Total current assets		91,176	76,823
Non-current assets			
Property, plant & equipment, net	10, 13	224,476	290,386
Intangible assets subject to amortization	11	46,230	37,809
Transportation deposits	12	4,220	901
Security Deposits	12	2,658	3,414
Financial assurance deposit	13	6,010	6,410
Total non-current assets		283,594	338,920
TOTAL ASSETS		374,770	415,743
Current liabilities			
Current maturities of long-term debt	14	1,172	2,950
Current maturities of lease liabilities	15	11,193	9,859
Current deferred gain – Series C Preferred	25	3,000	-
Accounts payable		25,609	11,718
Accrued liabilities	16	28,094	41,402
Liabilities held for sale	24	39,948	-
Total current liabilities		109,016	65,929
Non-current liabilities			
Long-term debt	14	212,894	166,581
Lease liabilities	15	22,709	38,365
Long-term royalties payable	24	-	23,088
Long-term deferred gain – Series C Preferred	25	11,625	-
Deferred tax liability	17, 24	-	5,355
Rehabilitation obligation	13	26,604	35,197
Total non-current liabilities		273,832	268,586
TOTAL LIABILITIES		382,848	334,515
Shareholder's equity			
Capital stock	18	263,350	263,350
Accumulated deficit		(271,597)	(182,391)
Equity attributable to owners of the Company		(8,247)	80,959
Non-controlling interest		169	269
TOTAL EQUITY		(8,078)	81,228
TOTAL LIABILITIES AND EQUITY		374,770	415,743

Should be read in conjunction with the notes to the consolidated financial statements

The consolidated financial statements were approved by a directors' resolution on June 1, 2023 and signed on their behalf by:



 Joseph A. Broking II
 President and Chief Executive Officer

Consolidated statements of income (loss) and comprehensive income (loss)

(expressed in thousands of US Dollars, except where otherwise noted)

	Notes	Years Ended	
		Dec 31, 2022	Dec 31, 2021
Revenue		324,850	446,051
Cost of sales	22	322,014	327,817
Gross profit		2,836	118,234
Other expenses			
Selling, general, and administrative expenses	23	9,708	6,658
Operating (loss) income		(6,872)	111,576
Other income (expense)			
Other expense		(2,818)	(4,334)
Loss on debt extinguishment	14	-	(15,247)
Loss on derivative instruments	20	-	(42,829)
Gain on financial instrument	25	375	-
Interest expense	14, 15	(23,103)	(18,662)
Interest income		441	246
NALCO Tax		(524)	(560)
Foreign exchange gain		129	21
Total other (expense)		(25,500)	(81,365)
Income (loss) before income taxes		(32,372)	30,211
Current income tax (expense)	17	(480)	(542)
Net income (loss) and comprehensive income (loss), continuing operations		(32,852)	29,669
Net income (loss) and comprehensive income (loss), discontinued operations		(56,300)	2,554
Net income (loss) and comprehensive income (loss)		(89,152)	32,223
Net income and comprehensive income attributable to non-controlling interest, net of tax		54	102
Net income (loss) and comprehensive income (loss) attributable to Tacora Resources, Inc., continuing operations		(32,906)	29,567
Net income (loss) and comprehensive income (loss) attributable to Tacora Resources, Inc., discontinued operations		(56,300)	2,554
Net income (loss) and comprehensive income (loss) attributable to Tacora Resources, Inc.		(89,206)	32,121

Should be read in conjunction with the notes to the consolidated financial statements

Consolidated statements of changes in equity

(expressed in thousands of US Dollars, except where otherwise noted)

	Capital stock	Accumulated deficit	Equity attributable to owners of the parent	Non-controlling interest	Total equity
Balance at Dec 31, 2020	225,332	(214,512)	10,820	322	11,142
Issuance of common shares (Note 18)	38,000	-	38,000	-	38,000
Credit to cost of common share issuance	18	-	18	-	18
Net income attributable to owners of the parent	-	32,121	32,121	-	32,121
Net income attributable to non-controlling interest, net of tax	-	-	-	102	102
Distributions to non-controlling interest	-	-	-	(155)	(155)
Balance at Dec 31, 2021	263,350	(182,391)	80,959	269	81,228
Balance at Dec 31, 2021	263,350	(182,391)	80,959	269	81,228
Net loss attributable to owners of the parent	-	(32,906)	(32,906)	-	(32,906)
Net loss attributable to discontinued operations	-	(56,300)	(56,300)	-	(56,300)
Net income attributable to non-controlling interest, net of tax	-	-	-	54	54
Distributions to non-controlling interest	-	-	-	(154)	(154)
Balance at Dec 31, 2022	263,350	(271,597)	(8,247)	169	(8,078)

Should be read in conjunction with the notes to the consolidated financial statements

Consolidated statements of cash flow

(expressed in thousands of US Dollars, except where otherwise noted)

	Notes	Years Ended	
		Dec 31, 2022	Dec 31, 2021
Cash Flows from operating activities			
Net income (loss)		(89,206)	32,121
Less net income attributable to non-controlling interest		54	102
Adjustments to reconcile to net income:			
Depreciation	10	22,678	21,236
Amortization of intangible asset	11	1,771	1,193
Foreign exchange transaction loss (gain)		400	(19)
Change in fair value of derivative liability	20	-	42,219
Gain on financial instrument	25	(375)	-
Prepayment penalty on long-term borrowings	14	-	15,247
Accretion fair value of long-term borrowings	14	(1,135)	294
Unwinding of present value discount: asset retirement obligation	13	683	615
Change in deferred tax losses	17	(5,355)	(2,554)
Loss on disposal of property and equipment	10	1,736	1,270
Loss on fair value of disposal group	24	61,655	-
Changes in non-cash operating working capital:			
Trade accounts receivable	6	1,363	(7,909)
Other receivables	6	270	(270)
Inventory	7	(14,714)	(10,984)
Prepaid expenses and other	8	3,658	1,169
Accounts payable		11,524	(8,809)
Accrued liabilities	16	(15,726)	14,958
Net cash (outflow) inflow from operating activities		(20,719)	99,879
Cash Flows from investing activities			
Purchases of mining property, land, plant & equipment	10, 13	(53,750)	(53,370)
Acquisition of intangible assets subject to amortization	11	(8,422)	(12,568)
Transportation deposit	12	4,420	5,089
Change in restricted cash, escrow	5	-	260
Cash acquired from Sydvaranger acquisition	24	-	741
Commodity forward contract settlements	20	-	(132,612)
Net cash outflow from investing activities		(57,752)	(192,460)
Cash Flows from financing activities			
Proceeds from issuance of preferred shares	25	15,000	-
Credits for equity issuance costs	18	-	18
Proceeds from long-term borrowings	14	52,995	175,000
Issuance costs from long-term borrowings	14	(5,091)	(8,419)
Prepayment penalty on long-term borrowings	14	-	(15,247)
Knoll Lake distributions to non-controlling interest		(154)	(155)
Principal payments on long-term debt, including vendor financed leases	14, 15	(12,314)	(143,297)
Net cash inflow from financing activities		50,436	7,900
Net decrease in cash		(28,035)	(84,681)
Cash			
Beginning		34,883	119,564
Ending		6,848	34,883
Supplemental disclosures			
Cash paid for interest		20,804	15,522
Property and equipment acquired through accounts payable		10,335	5,551
Assets acquired through vendor financed leases		3,278	12,921

Should be read in conjunction with the notes to the consolidated financial statements

Notes to the consolidated financial statements

(expressed in thousands of US Dollars, except where otherwise noted)

Note 1 - Corporate information

Tacora Resources Inc. along with its subsidiaries (collectively, the “Company” or “Tacora”) are in the business of identifying, mining and processing iron ore mineral reserves and resources.

Tacora was formed under the *Business Corporations Act* (British Columbia) on January 12, 2017 and is incorporated in British Columbia, Canada. Tacora’s registered office is located at 199 Bay Street, 5300 Commerce Court West, Toronto, ON M4L 1B9 Canada.

On July 18, 2017, Tacora completed the acquisition (the “Acquisition”) of substantially all of the assets associated with the Scully Mine located north of the Town of Wabush, Newfoundland and Labrador, Canada (the “Scully Mine”). The acquisition was made pursuant to an asset purchase agreement (the “APA”) dated June 2, 2017 among Tacora, MagGlobal LLC, Wabush Iron Co. Limited, Wabush Resources Inc. and Wabush Lake Railway Company Limited pursuant to a court supervised process under the *Companies’ Creditors Arrangement Act (Canada)* (“CCAA”). Tacora commenced commercial production of its key asset, the Scully Mine, a long-life, large-scale open pit operation, in June 2019. Approximately 65% of employees are covered under collective bargaining agreement which expire on December 31, 2027.

On January 13, 2021, pursuant to a share purchase agreement between the seller, Sydvaranger AS and the purchaser, Tacora Resources Inc., the Company completed the acquisition of 100% of the share capital of Sydvaranger Mining AS (the “Sydvaranger Mine” or “Sydvaranger”). The Sydvaranger Mine is a long lived, large scale iron ore open pit, mineral processing plant and port with its concentrator and port facilities in the town of Kirkenes, Norway and the mines are 8 kilometers to the south near the town of Bjørnevatn, Norway. As a result of the acquisition, Tacora acquired the option to restart the Sydvaranger Mine which is shovel ready and fully permitted in a tier 1 jurisdiction. As of December 31, 2022, Sydvaranger was under a care and maintenance program.

Note 2 – Summary of significant accounting policies

The consolidated financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). The consolidated financial statements comply with IFRS, including all International Accounting Standards (“IAS”) in force and all related interpretations issued by the International Financial Reporting Interpretations Committee.

The accounting policies set out below have been applied consistently to the years presented in these consolidated financial statements, unless otherwise stated.

The accompanying consolidated financial statements and notes of Tacora for the years ended December 31, 2022 and 2021 were authorized for issuance on June 1, 2023.

Basis for preparation

The consolidated financial statements were prepared using the historical cost method except for the revaluation of certain financial assets and financial liabilities which have been measured at fair value. Transactions, balances, and unrealized gains on transactions between Tacora and its subsidiaries have been eliminated when preparing the consolidated financial statements.

The consolidated financial statements are presented in United States dollars (“USD”). All amounts disclosed in the notes to the consolidated financial statements are in USD, unless otherwise noted.

Notes to the consolidated financial statements

(expressed in thousands of US Dollars, except where otherwise noted)

Use of estimates

The preparation of the consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. Certain amounts included in or affecting these consolidated financial statements and related disclosures must be estimated, requiring management to make certain assumptions with respect to values or conditions which cannot be known with certainty at the time the consolidated financial statements are prepared. Management evaluates these estimates on an ongoing basis, utilizing historical experience, consultation with experts and other methods it considers reasonable in the particular circumstances. Any effects on Tacora's business, financial position or results of operations resulting from revisions to these estimates are recorded in the period in which the facts that give rise to the revision become known.

Consolidation

The consolidated subsidiaries are all entities over which Tacora has the power to govern financial and operating policies. Tacora controls an entity when it is exposed, or has the right to variable returns from its interest in the entity and is capable of affecting returns through its power over the entity. Where Tacora's participation in subsidiaries is less than 100%, the share attributed to outside shareholders is reflected as non-controlling interest.

Subsidiaries are consolidated in full from the date on which control is transferred to Tacora and up to the date it loses that control.

As at December 31, 2022, the subsidiaries included in the consolidated financial statements of Tacora were as follows:

	Country of incorporation	Ownership percentage %	Functional currency
Tacora Resources LLC	United States	100%	US Dollars
Knoll Lake Minerals Limited	Canada	58.2%	Canadian Dollars
Tacora Norway AS	Norway	100%	Norwegian Krone
Sydvaranger Mining AS	Norway	100%	Norwegian Krone
Sydvaranger Eiendom AS	Norway	100%	Norwegian Krone
Sydvaranger Materiell AS	Norway	100%	Norwegian Krone
Sydvaranger Drift AS	Norway	100%	Norwegian Krone
Sydvaranger Malmtransport AS	Norway	100%	Norwegian Krone
Bjornevatn Naeringspark AS	Norway	100%	Norwegian Krone

As part of the acquisition in 2017, Tacora acquired common shares representing a 58.2% interest in Knoll Lake Minerals Limited ("Knoll Lake"). The common shares of Knoll Lake are not considered a core asset to the mining operations of the Scully Mine. The ownership interest in Knoll Lake relates to a legacy asset that was included as one of several ancillary assets acquired as part of the acquisition. Nil consideration was allocated to the common shares of Knoll Lake. For the years ended December 31, 2022 and 2021, Knoll Lake had no operating activities. Knoll Lake is not considered a material subsidiary of Tacora for the years ended December 31, 2022 and 2021. Cumulative translation adjustments from foreign exchange translation of Knoll Lake's operations as of December 31, 2022 and 2021 are immaterial to the consolidated financial statements.

All intra-group assets and liabilities, revenues, expenses and cash flows relating to intra-group transactions are eliminated.

Notes to the consolidated financial statements

(expressed in thousands of US Dollars, except where otherwise noted)

Revenue Recognition

The Company recognizes revenue from sales of concentrate when control of the concentrate passes to the customer, which occurs upon delivery to the stockpile. Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties.

For all the sales contracts, the sales price is determined provisionally at the date of sale, with the final pricing determined at a mutually agreed date (generally between 3 to 4 months from the date of the sale), at a quoted market price at that time. All subsequent mark-to-market adjustments in iron prices are recorded as adjustments to the transaction price and recognized as revenue from contracts with customers and recorded in sales up to the date of final settlement. Ocean freight a component of the Company's pricing formula and is subtracted from the gross consideration as Tacora's concentrate is shipped into the seaborne iron ore market.

Tacora believes commodity price hedging could provide a long-term benefit to shareholders. Tacora has entered into monthly average index P62 fixed price contracts with Cargill to help mitigate commodity price risk during the ramp up of the Scully Mine. A total of 2.4 million tonnes have been fixed with settlement dates between January 1, 2022 and December 31, 2022. In addition, 0.6 million tonnes have been fixed with settlement dates between January 1, 2023 and March 31, 2023. Given the expectation that Tacora will physically settle these contracts, this arrangement will be treated as part of our own use and therefore Tacora is not treating the fixed nature of this pricing as a derivative under IFRS 9. As a result, the impacts of the agreement with Cargill will be recorded in revenue.

Price changes for revenue awaiting final pricing at the balance sheet date could have a material effect on future revenues. As at December 31, 2022, there was \$69.8 million (December 31, 2021: \$111.4) in revenues that were awaiting final pricing.

Cash and restricted cash

Cash consists of cash in bank and restricted cash held as collateral.

Inventories

Iron ore finished concentrate and work-in-process inventories are measured and valued at the lower of average production cost and net realizable value. Net realizable value is the estimated selling price of the concentrate in the ordinary course of business based on the prevailing selling prices on the reporting date. Production costs that are inventoried include the costs directly related to bringing the inventory to its current condition and location, such as materials, labor and manufacturing overhead costs.

Supplies and spare parts are valued at lower of cost or net realizable value.

Foreign currency translation

Functional and presentation currency

The amounts included in the consolidated financial statements are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in USD, which is Tacora's presentation currency and the functional currency of its operations.

Notes to the consolidated financial statements

(expressed in thousands of US Dollars, except where otherwise noted)

Foreign currency translation

The financial statements of entities that have a functional currency different from USD are translated into USD as follows:

- assets and liabilities at the closing rate at the date of the balance sheet; and
- income and expenses at the average rate of the reporting period.

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from settlement of foreign currency transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in currencies other than the operator's functional currency are recognized in the statement of income.

Business Combinations

Assets acquired and liabilities assumed as part of a business combination are generally recorded at their fair value at the date of acquisition. The excess of purchase price over the fair value of assets acquired and liabilities assumed is recorded as goodwill. Determining fair value of identifiable assets, particularly intangibles, property plant and equipment, and liabilities acquired also requires management to make estimates, which are based on all available information and in some cases assumptions with respect to the timing and amount of future revenues and expenses associated with an asset. Accounting for business acquisitions requires management to make judgments as to whether a purchase transaction is a multiple element contract, meaning that it includes other transaction components such as a settlement of a preexisting relationship. This judgment and determination affects the amount of consideration paid that is allocable to assets and liabilities acquired in the business purchase transaction.

Asset acquisition

If a transaction does not meet the definition of a "business" under IFRS, the transaction is recorded as an asset acquisition. Net identifiable assets acquired and liabilities assumed are measured at the fair value of the consideration paid, plus any transaction costs, based on their relative fair value at the acquisition. No goodwill and no deferred tax asset or liabilities arising from the assets acquired and liabilities assumed are recognized upon acquisition of the assets.

Intangible assets subject to amortization

Intangible assets are related to port access and are initially recorded at cost. The assets are amortized on a rate per tonne shipped from the port or over the useful life of the asset on a straight-line basis. The estimated useful life of the intangible assets are estimated to be between nine and twenty-five years.

Intangible assets are subject to impairment tests when events or circumstances indicate that carrying value is not recoverable. Impairment losses are recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount. Management determined that there were no indicators of impairment as of December 31, 2022 and 2021.

Financial assets and liabilities

Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities at amortized cost. Other financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expenses over the corresponding year. The effective interest rate is the rate that exactly discounts estimated future cash payments over the expected life of the financial liability, or, where appropriate, a shorter year, to the net carrying amount on initial recognition.

Notes to the consolidated financial statements

(expressed in thousands of US Dollars, except where otherwise noted)

The Company has classified accounts payable, accrued liabilities, long-term debt, long-term leases and asset retirement obligations as other financial liabilities.

Financial assets

Financial assets are classified as either financial assets at fair value through profit or loss, amortized cost, or fair value through other comprehensive income. The Company determines the classification of its financial assets at initial recognition.

a) Fair value through profit or loss – financial assets are classified as fair value through profit or loss if they do not meet the criteria of amortized cost or fair value through other comprehensive income. Changes in fair value are recognized in the statement of income (loss).

b) Amortized cost – financial assets are classified at amortized cost if both of the following criteria are met and the financial assets are not designated as at fair value through profit and loss: 1) the objective of the Company's business model for these financial assets is to collect their contractual cash flows; and 2) the asset's contractual cash flow represents solely payments of principal and interest.

The Company has classified cash, restricted cash, accounts receivable and deposits as financial assets using amortized cost.

Derivatives

Derivative assets and liabilities, comprising the commodity forward contracts, do not qualify as hedges, or are not designated as hedges and, accordingly, are classified as financial assets or liabilities at fair value through profit or loss.

Derecognition of financial assets and liabilities

Financial assets are derecognized when the contractual rights to receive cash flows from the assets expire or when the Company no longer retains substantially all of the risks and rewards of ownership and does not retain control over the financial asset. Any interest in such derecognized financial assets that is created or retained by the Company is recognized as a separate asset or liability. Gains and losses on derecognition are generally recognized in the consolidated statements of income (loss) and comprehensive income (loss), with the exception of gains and losses on equity instruments designated at fair value through other comprehensive income, which are not reclassified upon derecognition.

For financial liabilities, derecognition occurs when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in the consolidated statements of income (loss) and comprehensive income (loss).

Royalties

Tacora is party to a single amended and restated consolidation of mining leases (the "Mining Lease") with a lessor pursuant to which Tacora was granted the exclusive contractual right to explore, investigate, develop, produce, extract, remove by open pit or other method of mining, smelt, reduce and otherwise process, make merchantable, store, sell and ship all iron ore products from a mine on a parcel of land located near Wabush, Newfoundland and Labrador on which the Scully Mine is located. The Mining Lease is effective for a term extending to and including May 20, 2055; however, the Mining Lease may be cancelled by Tacora generally on six months' written notice.

At the commencement of shipping iron ore products, Tacora is required to pay an earned royalty fee per metric tonne ranging from 4.2% to 7.0% of Net Revenues less certain deductible expenses, in accordance with the calculation as defined in the Mining Lease. To the extent that Tacora has not commenced or ceases the shipping of iron ore products and the sum of the earned royalty fee in a given calendar quarter is less than C\$0.8 million, Tacora is required to pay a minimum quarterly royalty of C\$0.8 million (of which 20 percent is withheld and remitted to the Province of Newfoundland and Labrador). Any minimum quarterly royalty payments during the calendar years of 2017 and 2018 were recoverable against future earned royalties on sales of iron ore products from the leased land during the 2018 and 2019 calendar years. Any amount which Tacora paid the lessor related to minimum quarterly royalty

Notes to the consolidated financial statements

(expressed in thousands of US Dollars, except where otherwise noted)

payments subsequent to 2019, other than in payment of earned royalties, shall be recoverable against earned royalties in the same calendar year.

Exploration and evaluation

Exploration and evaluation expenditures comprises costs that are directly attributable to:

- researching and analyzing exploration data;
- conducting geological studies, exploratory drilling and sampling;
- examining and testing extraction and treatment methods; and/or
- compiling pre-feasibility and feasibility studies.

In accordance with IFRS 6 “Exploration for and Evaluation of Mineral Resources”, the criteria for the capitalization of evaluation costs are applied consistently from period to period. Subsequent recovery of the carrying value for evaluation costs depends on successful development, sale or other partnering arrangements of the undeveloped project. If a project does not prove viable, all irrecoverable costs associated with the project net of any related impairment provisions are charged to the consolidated statements of income (loss) and comprehensive income (loss). No exploration or evaluation costs were capitalized in 2022 or 2021.

Basin development costs

Costs incurred to prepare mine basins, before production begins, are capitalized. These capitalized costs are amortized on a cost basis by dividing the total development costs by the estimated recoverable quantities of minerals. The resulting cost is multiplied by the quantities extracted each year to determine the annual depletion expense. The productive phase is deemed to have begun when saleable material is extracted (produced) from the basin, regardless of level of production. Costs incurred during the production phase are recognized in cost of sales.

Property, plant, and equipment

Once a mining project has been determined to be commercially viable and approval to mine has been granted, expenditure other than that on land, buildings, plant, equipment and capital work in progress is capitalized under “Mining properties and leases”. Mineral reserves may be asserted for an undeveloped mining project before its commercial viability has been fully determined. Evaluation costs may continue to be capitalized during the period between declaration of mineral reserves and approval to mine as further work is undertaken in order to refine the development case to maximize the project’s returns. Costs of evaluation of a processing plant or material processing equipment prior to approval to develop or construct are capitalized under “Construction in process”, provided that there is a high degree of confidence that the project will be deemed to be commercially viable.

Costs which are necessarily incurred while commissioning new assets, in the period before they are capable of operating in the manner intended by management, are capitalized. Development costs incurred after the commencement of production are capitalized to the extent they are expected to give rise to a future economic benefit. Interest on borrowings related to construction or development projects is capitalized at the rate payable on project-specific debt, if applicable, or at Tacora’s cost of borrowing until the point when substantially all the activities that are necessary to make the asset ready for its intended use are complete.

Property, plant, and equipment is recorded at historical cost, as defined in IAS 16, “Property, Plant and Equipment,” less accumulated depreciation (except for land, which is not depreciated) and accumulated impairment losses. Costs include expenses directly attributable to the asset acquisition. Depreciation is calculated over the estimated useful lives as follows:

Notes to the consolidated financial statements

(expressed in thousands of US Dollars, except where otherwise noted)

Asset type	Useful lives
Vehicles	3 – 5 years
Right of use assets	3 – 10 years
Mining and processing equipment	3 – 20 years
Railcars and rails	5 – 20 years

Assets within operations for which production is not expected to fluctuate significantly from one year to another or which have a physical life shorter than the related mine are depreciated on a straight-line basis.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when future economic benefits associated with the item are likely and the cost of the item can be reliably measured. The carrying amount of replaced parts are derecognized and charged to loss on disposal. Repairs and maintenance are recognized in the consolidated statements of income (loss) and comprehensive income (loss) in the year they are incurred. Major improvements are depreciated over the remaining useful life of the related asset.

Property, plant, and equipment is subject to impairment tests when events or circumstances indicate that carrying value is not recoverable. Impairment losses are recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount. Management determined that there were indicators of impairment as of December 31, 2022 as discussed in Note 24.

Leases

The Company assesses, at the inception of a contract, whether a contract is, or contains, a lease. A lease is a contract in which the right to control the use of an identified asset is granted for an agreed upon period of time in exchange for consideration. The Company recognizes a right-of-use asset and a lease liability at the lease commencement date.

Lease liabilities:

Lease liabilities are initially recorded as the present value of the non-cancellable lease payments over the lease term and discounted at the Company's incremental borrowing rate. Lease payments include fixed payments and such variable payments that depend on an index or a rate; less any lease incentives receivable.

The lease liability is subsequently measured at amortized cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of exercising a purchase, extension or termination option. When the lease liability is re-measured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, with any difference recorded in the consolidated statements of income (loss) and comprehensive income (loss).

Right-of-use assets:

The right-of-use assets are measured at cost, which comprises the initial lease liability, lease payments made at or before the lease commencement date, initial direct costs and restoration obligations less lease incentives. The right-of-use assets are subsequently measured at amortized cost. The assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. The lease term includes periods covered by an option to extend if the Company is reasonably certain to exercise that option.

Notes to the consolidated financial statements

(expressed in thousands of US Dollars, except where otherwise noted)

Right-of-use assets are assessed for impairment in accordance with the requirements of IAS 36, "Impairment of assets".

The Company, on a lease by lease basis, also exercises the option available for contracts comprising lease components as well as non-lease components, not to separate these components. Extension and termination options exist for the Company's property lease of the premises. The Company re-measures the lease liability, when there is a change in the assessment of the inclusion of the extension option in the lease term, resulting from a change in facts and circumstances.

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in the consolidated statements of income (loss) and comprehensive income (loss). Short-term leases are leases with a lease term of twelve months or less. Low-value assets comprise office equipment.

Provisions

Provisions are recognized when Tacora has a present obligation, legal or constructive, as a result of a past event, that is likely required to be settled and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Provisions for legal claims are recognized when Tacora has a present obligation, legal or constructive, as a result of past events, an outflow of economic resources is probable to be required to settle the obligation and the amount can be reasonably estimated.

Environmental rehabilitation

Mining, extraction, and processing activities normally give rise to obligations for environmental rehabilitation. A provision for environmental rehabilitation is recognized at the time of environmental disturbance at the present value of expected rehabilitation work. Rehabilitation work can include decommissioning activities, removal or treatment of waste materials, land rehabilitation, as well as monitoring and compliance with environmental regulations. Tacora's provision is management's best estimate of the present value of the future cash outflows discounted at a pre-tax rate specific to the liability required to settle the liability and is dependent on the requirements of the relevant authorities and management's environmental policies.

Taxation

Tacora is subject to income tax in numerous jurisdictions. Income tax on the consolidated statements of income (loss) and comprehensive income (loss) consists of current and deferred tax.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at period-end, adjusted for amendments to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities in the financial statements and the amount recorded for the computation of taxable income except when these differences arise on the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither

Notes to the consolidated financial statements

(expressed in thousands of US Dollars, except where otherwise noted)

accounting profit nor taxable profit. These temporary differences result in deferred tax assets and liabilities, which are included in the consolidated balance sheet. Tacora will recognize deferred tax assets for all deductible temporary differences, tax credits, and unused tax losses, to the extent that it is probable that future taxable profits will be available against which these can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Capital stock

Tacora's issued and outstanding common shares are classified as capital stock under equity. Incremental costs directly attributable to the issuance of new common shares are included in equity as a deduction from the consideration received, net of tax. Contributions for capital stock increases due to the issuance of new common shares are recognized directly as an integral part of capital.

Share-based compensation

The Company offers a stock option plan for certain employees. The stock options shall vest, and may be exercised in whole or in part, only upon a liquidity event as defined in the stock option agreement. The Company does not recognize compensation cost for the stock options until the liquidity event is deemed probable.

Going concern

The accompanying consolidated financial statements are prepared in accordance with IFRS applicable to a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business.

The Company has a net operating loss and cash outflows from operations for the twelve months ended December 31, 2022 due to a reduction in iron ore prices and a slower than expected ramp-up of the Scully Mine. Based on the Company's projected cash flows, the Company does not have sufficient cash on hand or available liquidity to sustain its operations and meet its obligations as they become due for twelve months following the date the consolidated financial statements are issued. These conditions and events raise substantial doubt about the Company's ability to continue as a going concern.

The Company continues to advance certain strategic alternatives to secure additional outside capital to ensure that the Company has sufficient liquidity and a sustainable capital structure to meet all obligations due over the next twelve months. These initiatives may include, among others, the sale of certain of the Company's assets or a sale of additional equity of the Company to strategic or financial investors.

No assurance can be given that any of the contemplated strategic initiatives will be successfully completed. As a result, we have concluded that, there is substantial doubt about our ability to continue as a going concern. The consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might result from the outcome of this uncertainty.

Note 3 – Critical accounting judgments and key sources of estimation uncertainty

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience, consultation with experts and other methods management considers reasonable in the particular circumstances. Actual results may differ from these estimates.

Notes to the consolidated financial statements

(expressed in thousands of US Dollars, except where otherwise noted)

The accounting policies discussed below are considered by management to be critical to an understanding of Tacora's financial statements as their application places the most significant demands on management's judgment.

Business combinations

Assets acquired and liabilities assumed as part of a business combination are generally recorded at their fair value at the date of acquisition. The excess of purchase price over the fair value of assets acquired and liabilities assumed is recorded as goodwill. Determining fair value of identifiable assets, particularly intangibles, and liabilities acquired also requires management to make estimates, which are based on all available information and in some cases assumptions with respect to the timing and amount of future revenues and expenses associated with an asset. Accounting for business acquisitions requires management to make judgments as to whether a purchase transaction is a multiple element contract, meaning that it includes other transaction components such as a settlement of a preexisting relationship. This judgment and determination affects the amount of consideration paid that is allocable to assets and liabilities acquired in the business purchase transaction.

Mineral reserves and resources

Estimates of the quantities of proven and probable mineral reserves and measured, indicated and inferred mineral resources form the basis for our life of mine plans, which are used for a number of important business and accounting purposes, including our impairment analysis. Mineral reserves and resources are based on engineering data, estimated future prices, estimated future capital spending and estimated future production rates. We estimate our iron ore mineral reserves and resources based on information compiled by "qualified persons" as defined in accordance with the requirements of the Canadian Securities Administrators' National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*. These life of mine plans also include assumptions about our ability to obtain and renew our mining and operating permits. Tacora expects that, over time, its mineral reserves and resources estimates will be revised upward or downward based on updated information such as the results of future drilling, testing and production levels, and may be affected by changes in iron ore prices.

Environmental rehabilitation

Decommissioning and restoration costs are a normal consequence of mining. The majority of these expenditures are incurred at the end of the mine's life. In determining the provision, consideration is given to the future costs to be incurred, the timing of these future costs, and estimated cost of inflation. The cost of decommissioning and restoration is uncertain and can vary in response to many factors including changes to the relevant legal and regulatory requirements. The expected timing of expenditures can change in response to changes in the life of mine. These estimates are reviewed annually and adjusted where necessary to ensure that the most current data is used.

Note 4 – Financial risk management

Financial risk management objective

Tacora is exposed to a number of financial risks which are considered within the overall Tacora risk management framework. The key financial risks are commodity price risk, credit risk, liquidity risk and capital management risk, which are each discussed in detail below. The Board of Directors and senior management look to ensure that Tacora has an appropriate capital structure which enables it to manage the risks faced by the organization through the commodities cycle. The general approach to financial risks is to ensure that the business is robust enough to enable exposures to float with the market. Tacora may, however, choose to fix some financial exposures when it is deemed appropriate to do so.

Notes to the consolidated financial statements

(expressed in thousands of US Dollars, except where otherwise noted)

Commodity price risk

Tacora has agreed to sell all of its production from the Scully Mine to one counterparty, Cargill International Trading Pte Ltd. (“Cargill”) with a term expiring December 31, 2024, with an option to extend the term until December 31, 2035 with rolling options to extend the agreement for the life of the Scully Mine at Cargill’s sole discretion. Cargill is selling the Tacora product into the global seaborne iron ore market at prevailing market prices and incurring dry bulk freight costs to deliver the product to its intended destination at prevailing market freight rates. Therefore, Tacora will be exposed to fluctuations in iron ore market prices and dry bulk freight costs related to iron ore sales. Price decreases in the iron ore commodity market and/or cost increases for dry bulk freight rates could negatively affect net sales and therefore earnings.

Tacora believes commodity price hedging could provide a long-term benefit to shareholders. Therefore, Tacora may hedge certain commitments in the future with an emphasis on mitigating commodity price risk during the ramp up of the Scully Mine.

Tacora entered into monthly average index P62 fixed price contracts with Cargill that provided for the following key terms:

	Average Strike Price USD\$	Volume (dmt)
Settlement dates between Jan 1, 2022 and Mar 31, 2022	123.00	600,000
Settlement dates between Apr 1, 2022 and Jun 30, 2022	123.00	600,000
Settlement dates between Jul 1, 2022 and Sept 30, 2022	129.65	600,000
Settlement dates between Oct 1, 2022 and Dec 31, 2022	123.69	600,000
Settlement dates between Jan 1, 2023 and Mar 31, 2023	96.44	600,000

Given the expectation that Tacora will physically settle these contracts, this arrangement will be treated as part of our own use and therefore are not treating the fixed nature of this pricing as a derivative under IFRS 9. As a result, the impacts of the agreement with Cargill will be recorded in revenue.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Tacora may be exposed to credit risk from its customer receivables and from its financing activities, including deposits with banks and financial institutions, other short-term investments, interest rate and currency derivative contracts and other financial instruments. The carrying amount of financial assets represents the Company’s maximum credit exposure.

Liquidity and capital risk management

Tacora’s objective when managing capital is to safeguard the business as a going concern while maximizing returns for shareholders. In a cyclical and capital intensive industry, such as the mining industry, maintaining a strong balance sheet and a sound financial risk management framework are desirable to preserve financial flexibility and generate shareholder value through the cycle. In practice, this involves regular reviews by the Board of Directors and senior management. These reviews take into account Tacora’s strategic priorities, economic and business conditions and opportunities that are identified to invest across all points of the commodities cycle and focus on shareholder return while also striving to maintain a strong balance sheet.

Notes to the consolidated financial statements

(expressed in thousands of US Dollars, except where otherwise noted)

The table below analyzes the Company's financial liabilities into relevant maturity groupings based on the remaining period to maturity at the consolidated balance sheet date. The amounts below are gross amounts, so they include principal and interest.

	Within 1 Year	1 to 2 Years	2 to 5 Years	Over 5 Years	Total
Accounts payable and accrued liabilities	53,703	-	-	-	53,703
Debt	19,734	18,880	253,740	1,340	293,694
Lease liabilities	12,914	12,047	12,306	0	37,267
Rehabilitation obligation	-	-	-	26,604	26,604
Total	86,351	30,927	266,046	27,944	411,268

Note 5 – Cash

Tacora maintains its cash in bank accounts which, at times, may exceed insured limits. Tacora has not experienced any losses in such accounts.

Cash consists of the following:

	As at Dec 31, 2022	As at Dec 31, 2021
Cash at bank	6,734	34,761
Restricted cash, escrow	114	122
Total	6,848	34,883

Restricted cash of \$114 as of December 31, 2022 and \$122 as of December 31, 2021 is held as collateral for one letter of credit required for environmental reclamation and Tacora's credit card program.

Note 6 – Accounts Receivable

Accounts receivable consist of the following:

	As at Dec 31, 2022	As at Dec 31, 2021
Trade receivables	8,897	10,260
Other receivables	-	270
Balance per consolidated balance sheet	8,897	10,530

Tacora's trade receivables all relate to a single customer. For the years ended December 31, 2022 and December 31, 2021, no specific provision was recorded on any of the receivables. The receivables at the end of both periods were current and are generally paid in a timely manner.

Notes to the consolidated financial statements

(expressed in thousands of US Dollars, except where otherwise noted)

Note 7 – Inventories

Inventories consist of the following:

	As at Dec 31, 2022	As at Dec 31, 2021
Consumable inventories	28,894	15,026
Work-in-process inventories	1,750	2,250
Finished concentrate inventories	3,099	1,753
Balance per consolidated balance sheet	33,743	19,029

For the years ended December 31, 2022 and December 31, 2021, no specific adjustment was recorded for any of the inventory.

Note 8 – Prepaid expenses and other current assets

Prepaid expenses consist of the following:

	As at Dec 31, 2022	As at Dec 31, 2021
Prepaid sales tax	-	1,312
Other miscellaneous prepaid expenses	1,647	3,087
Prepaid insurance	49	198
Miscellaneous deposits	44	44
Balance per consolidated balance sheet	1,740	4,641

Note 9 – Related-party balances

Transactions with related parties for the years ended December 31, 2022 and 2021, were as follows:

Compensation of key management personnel

Tacora considers its directors and officers to be key management personnel. Payroll related expenses incurred related to key management personnel are set forth as follows:

	Year Ended	
	2022	2021
Salaries	1,454	1,523
Deferred compensation	40	36
Other benefits	72	44
Total	1,566	1,603

Notes to the consolidated financial statements

(expressed in thousands of US Dollars, except where otherwise noted)

There were no material related party receivables or payables for the years ended December 31, 2022 and the year ended December 31, 2021, respectively.

Cargill

As a result of the \$15 million preferred share agreement described in Note 25, Cargill is a related party as of December 31, 2022. Further described in Note 4, Cargill is Tacora's single customer of iron ore and 100% of revenue for the year and trade receivables (see Note 6) as of December 31, 2022 are attributable to Cargill. Commitments and guarantees with Cargill are described in Note 4. As of December 31, 2022, Tacora held no collateral on deposit related to its fixed price agreement with Cargill. No bad debt expense for the year, or bad debt provision as of December 31, 2022, exists related to Cargill receivables.

Note 10 –Property, plant and equipment

A summary of property, plant and equipment is as follows:

	Mining and Processing Equipment	Basin Development	Right of Use Assets	Assets Under Construction	Asset Retirement Cost	Total
As of Dec 31, 2020	68,416	-	45,287	18,543	36,076	168,322
Additions	-	-	-	147,520	-	147,520
Disposals	(1,307)	-	(390)	(569)	-	(2,266)
Transfer	26,600	17,383	15,564	(59,547)	-	-
Changes to environmental rehabilitation provision (Note 13)	-	-	-	-	(3,049)	(3,049)
Accumulated depreciation	(7,851)	(1,065)	(9,534)	-	(1,691)	(20,141)
As of Dec 31, 2021	85,858	16,318	50,927	105,947	31,336	290,386
Additions	-	1,811	-	67,349	-	69,160
Disposals	(272)	(270)	(3,284)	-	-	(3,826)
FV measurement of discontinued operations (Note 24)	-	-	-	(56,300)	-	(56,300)
Reclass to assets held for sale (Note 24)	-	-	-	(44,537)	-	(44,537)
Transfer	60,031	-	6,566	(66,597)	-	-
Changes to environmental rehabilitation provision (Note 13)	-	-	-	-	(9,276)	(9,276)
Accumulated depreciation	(9,717)	(1,358)	(9,234)	-	(822)	(21,131)
As of Dec 31, 2022	135,900	16,501	44,975	5,862	21,238	224,476

Basin development costs were incurred to prepare mine basins before production began and were capitalized. These capitalized costs are being amortized on a cost basis by dividing the total development costs by the estimated recoverable quantities of minerals.

Refer to notes 14 and 15 for information on non-current assets pledged as security.

Tacora leases various pieces of mobile equipment, all of which are considered right of use assets. The average term is 5 years (2021: 6 years) Tacora has options to purchase certain mobile equipment for a nominal amount at the end of the lease term. Tacora's obligations are secured by the lessors' title to the leased assets for such leases.

Notes to the consolidated financial statements

(expressed in thousands of US Dollars, except where otherwise noted)

The maturity analysis of lease liabilities is presented in Note 15.

Note 11 – Intangible assets subject to amortization

Port access

In May 2018, the Company executed an agreement with Société ferroviaire et portuaire de Pointe-Noire s.e.c. (“SFPPN”) with an effective date of June 1, 2018 and a termination date of December 31, 2044 setting out the terms on which SFPPN will grant the Company guaranteed access to SFPPN’s equipment, throughput and storage capacity necessary to transport iron ore to the port infrastructure. Under the SFPPN Agreement, the Company is required to contribute, to certain capital expenditures up to an aggregate amount of C\$48.9 million, inclusive of C\$10 million which was paid in 2018. Capital expenditures totaling C\$26.9 were paid between 2019 to 2021, C\$6.3 million was paid in 2022 and the balance of C\$5.7 million will be paid in equal monthly payments from April 2023 to March 2024. The capital expenditures will allow SFPPN to enhance the current existing infrastructure required for the Company’s guaranteed access to SFPPN’s facilities, which include railway and Wabush Yard infrastructure. The SFPPN Agreement contains customary default clauses, which include if the Company ceases the operations of the Scully Mine for a continuous period of more than twelve months and does not provide SFPPN with a date for the resumption of operations that is within the following twelve months.

The C\$48.9 million that the Company is required to contribute to SFPPN for certain capital expenditures is and will be classified as an intangible asset on the consolidated balance sheet and amortized. There may be other expenditures that the Company is required to make that the Company will classify in this regard. Amortization of these costs are recorded through cost of sales.

The Company has executed an assignment of contractual rights agreement pursuant to which New Millennium Iron Corp. (“NML”) will assign to the Company 6.5 million metric tonnes of NML’s port capacity with the Sept-Iles Port Authority (the “Port Authority”) in exchange for an upfront payment in the amount of C\$4.0 million payable on the closing date of the assignment and an ongoing fee of C\$0.10 per tonne of iron ore shipped by the Company through the port facilities pursuant to a contract to be entered into directly with the Port Authority over a 20-year period following the assignment. The Company recognizes the benefit of the prepayment based on tonnes shipped as a reduction of cost of goods sold. In connection with the assignment, the Company has assumed part of NML’s “take or pay” obligations related to the assigned 6.5 million metric tonnes of port capacity. The portion of the “take or pay” obligation that was payable to NML prior to the Company shipping ore from the port was added to the upfront payment amount. The upfront payment entitles the Company to a discount of C\$0.25 per tonne shipped until the upfront payment is recovered by the Company. The Company, NML and the Port Authority have entered into an agreement whereby the Port Authority consented to the assignment of capacity and agreed to enter into a direct agreement with the Company in respect of the 6.5 million metric tonnes of port capacity assigned by NML to the Company on terms substantially similar to those contained in the existing agreement between NML and the Port Authority. This agreement will provide the Company with direct access to port facilities that are capable of loading cape-size vessels, which are larger and more cost efficient than smaller baby-cape and Panamax alternatives. All port agreements between NML, the Port Authority and Tacora in respect of the assigned capacity were fully executed and complete as of December 31, 2018.

Notes to the consolidated financial statements

(expressed in thousands of US Dollars, except where otherwise noted)

Intangible assets consist of the following:

	SFPPN Intangible Asset	New Millennium Iron Corp. Port Access	Total
As of Dec 31, 2020	21,975	4,461	26,436
Additions	12,777	-	12,777
Accumulated amortization	(1,192)	-	(1,192)
Upfront payment recovery	-	(212)	(212)
As of Dec 31, 2021	33,560	4,249	37,809
Additions	10,386	-	10,386
Accumulated amortization	(1,770)	-	(1,770)
Upfront payment recovery	-	(195)	(195)
As of Dec 31, 2022	42,176	4,054	46,230

The gross carrying amount of intangible assets as of December 31, 2022 was \$50.4 million with accumulated amortization of \$4.1 million compared to the gross carrying amount of \$40.2 with accumulated amortization of \$2.4 million as of December 31, 2021.

SFPPN amortization is calculated using straight line over the life of the asset, through December 31, 2044.

Note 12 – Deposits

Transportation deposits consist of the following:

	As at Dec 31, 2022	As at Dec 31, 2021
Québec North Shore and Labrador Railway Company, Inc., transportation deposit	4,220	8,641
Less current portion	-	(7,740)
Long-term balance per consolidated balance sheet	4,220	901

On November 3, 2017, the Company entered into a life-of-mine transportation agreement (“QNS&L Rail Agreement”) with Québec North Shore and Labrador Railway Company, Inc. (“QNS&L”). The QNS&L Rail Agreement provides that QNS&L will carry iron ore concentrate produced at the Scully Mine on Tacora-supplied railcars between Wabush Lake Junction in Labrador City, Newfoundland and Labrador to the Sept-Iles Junction in Sept-Iles, Québec, a distance of approximately 500 km. Under the terms of the QNS&L Rail Agreement, QNS&L has agreed, among other things, to haul minimum monthly tonnages of iron ore (and any surplus iron ore that QNS&L agrees to haul for the benefit of the Company), ensure available transportation capacity, lead and actively participate in appropriate operations management and coordination procedures between QNS&L and the Company and supply sufficient labour, locomotives, assets and infrastructure as necessary to provide the rail transportation services contemplated. The QNS&L Rail Agreement also prescribes various capacity and volume commitments on the part of each of QNS&L and the Company, and sets forth specific maximum and minimum monthly tonnages of iron ore that may be tendered for transportation in any month. In the event that the Company fails to meet the minimum

Notes to the consolidated financial statements

(expressed in thousands of US Dollars, except where otherwise noted)

monthly tonnage requirements during a given month, the Company will be required to pay QNS&L, as liquidated damages, an amount equal to the deficit volume multiplied by the base rate applicable during that month, and which increases over time, other than where the failure to meet such minimum tonnage is as a result of a force majeure event; and provided further that, in the event that the Company suspends production at the Scully Mine for a period of more than one calendar year, the obligation to pay any such liquidated damages will be suspended until the resumption of production.

The QNS&L Rail Agreement required the Company to provide advance payments to QNS&L totaling C\$20.0 million, of which C\$3.0 million was paid on November 10, 2017 and C\$17.0 million was paid on November 14, 2018. These advance payments are required by QNS&L to secure the locomotive equipment and infrastructure capacity to meet the Company's anticipated haulage volumes on the QNS&L rail line. The Company will recover the advance payments from QNS&L by means of a special credit per wet metric tonne hauled.

Security deposits consist of the following:

	As at Dec 31, 2022	As at Dec 31, 2021
Western Labrador Railway, Cash collateral in an amount equal to three months	339	339
Komatsu Financial, 5% of total purchase price of equipment financed until paid in full	2,282	2,282
Caterpillar Financial, 10% of total purchase price of equipment financed until 24 months of consecutive mining operations	-	756
9356-0563 Quebec Inc, Prepaid rent applicable to the minimum rent of the 13 th , 14 th , 25 th , 26 th , and 37 th months of a 5 year office lease in Montreal, Quebec	37	37
Balance per consolidated balance sheet	2,658	3,414

Note 13 – Environmental rehabilitation

Pursuant to a Mine Rehabilitation and Closure Financial Assurance Fund Agreement between the Province of Newfoundland and Labrador and Tacora dated July 17, 2017, Tacora was required to deliver an initial cash payment to the Newfoundland Exchequer Account in respect of a Financial Assurance Fund in the amount of C\$36.8 million concurrently with the closing of the transactions under the APA. The funds are held in trust for the special purposes set out by the *Mining Act* (Newfoundland) and held in a special purpose account. Prior to start-up activities of the Scully Mine, an additional cash payment in the amount of C\$4.9 million was required to be remitted to this special purpose account by Tacora.

In 2019, Tacora executed a surety bond in the amount of C\$41.7 million which meets the entire financial assurance requirement contained in Tacora's mining permits with Newfoundland and Labrador. Newfoundland and Labrador accepted the surety bond and Tacora was reimbursed by the province for the cash financial assurance payment held in escrow in the amount of C\$36.8 million. A deposit of \$6.0 million was required to secure the surety bond.

In addition, Tacora had provided two letters of credit in favour of the Government of Canada (Ministry of Fisheries and Oceans) for an aggregate of \$0.2 million in respect of environmental reclamation matters.

Notes to the consolidated financial statements

(expressed in thousands of US Dollars, except where otherwise noted)

During 2021, one letter of credit was closed and the total amount of the remaining letter of credit was reduced to \$0.05 million. Environmental liabilities are initially recognized at the present value of estimated costs to be incurred to extinguish the liability. The timing of the actual rehabilitation expenditure is dependent upon a number of factors such as the life and nature of the asset. As of December 31, 2022, Tacora's environmental rehabilitation provision of \$26.6 million was measured at the expected value of future cash flows, discounted to the present value using a current a risk-free pre-tax discount rate of 3.28%.

The carrying value of the environmental rehabilitation obligation is as follows:

	As at Dec 31, 2022	As at Dec 31, 2021
Opening balance	35,197	37,630
Interest accretion	683	615
Change in inflation/discount rates	(9,276)	(3,048)
Balance per consolidated balance sheet	26,604	35,197

Note 14 – Debt

The carrying value, terms and conditions of Tacora's debt at December 31, 2022 and 2021 are as follows:

	As at Dec 31, 2022	As at Dec 31, 2021
Unsecured debt at amortized cost		
Note paid based on tonnes shipped	976	2,950
Atlantic Canada Opportunity Agency contribution loan (Mill Lubrication System)	252	-
Atlantic Canada Opportunity Agency contribution loan (Manganese Reduction Circuit)	1,349	-
	2,577	2,950
Secured debt at amortized cost		
Senior secured notes	211,489	166,581
Total Debt	214,066	169,531
Current	1,172	2,950
Non-current	212,894	166,581

In January 2022, Tacora received an interest-free loan of C\$0.5 million from the Atlantic Canada Opportunity Agency to finance the upgrade of its mill lubrication system. Loan repayments commenced on April 1st, 2022 and will continue until March 1st, 2027. Using prevailing market interest rates for an equivalent loan of 10.5 per cent, the fair value of the loan is estimated at C\$0.4 million. The difference of C\$0.1 million between the gross proceeds and the fair value of the loan is the benefit derived from the interest-free loan and is recognized as a reduction in the carrying amount of the asset. Interest charges recognized on this loan were C\$0.03 million in 2022 and C\$0 in 2021.

In October 2022, Tacora received an interest-free loan of C\$3.3 million from the Atlantic Canada Opportunity Agency to finance the expansion of its manganese reduction circuit. Loan repayments

Notes to the consolidated financial statements

(expressed in thousands of US Dollars, except where otherwise noted)

commenced on July 1st, 2023 and will continue until June 1st, 2033. Using prevailing market interest rates for an equivalent loan of 11.75 per cent, the fair value of the loan is estimated at C\$1.8 million. The difference of C\$1.5 million between the gross proceeds and the fair value of the loan is the benefit derived from the interest-free loan and is recognized as a reduction in the carrying amount of the asset. Interest charges recognized on this loan were C\$0.03 million in 2022 and C\$0 in 2021.

On May 11, 2021, Tacora issued \$175 million aggregate principal amount of 8.250% Senior Secured Notes due May 15, 2026 (“2026 Notes”). Tacora received net proceeds of approximately \$169.5 million after fees of approximately \$5.5 million related to underwriting and third-party expenses. Approximately \$128.2 million of the net proceeds from the issuance of the 2026 Notes were used to repay our Infrastructure 1 Loan, Infrastructure 2 Loan, Term Loan principal balance in addition to a prepayment penalty of approximately \$15.3 million. Subsequent to the issuance date, Tacora has paid approximately \$2.9 million in fees for additional third-party expenses related to the closing of the 2026 Notes. The balance of the net proceeds was used for working capital and other corporate purposes. Interest on the 2026 Notes will be payable semi-annually in arrears on May 15th and November 15th of each year beginning on November 15, 2021, and will mature on May 15, 2026, unless earlier redeemed or repurchased. The 2026 Notes are secured by substantially all of the Company’s Canadian assets.

On or after May 15, 2023, Tacora may on any one or more occasions redeem all or a part of the 2026 Notes, upon not less than 30 nor more than 60 days’ notice, at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest, if any, on the 2026 Notes redeemed, to the applicable date of redemption, if redeemed during the twelve-month period beginning on May 15 of the years indicated below, subject to the rights of holders of the 2026 Notes on the relevant record date to receive interest on the relevant interest payment date:

Year	Percentage
2023	104.125%
2024	102.063%
2025 and thereafter	100.000%

At any time prior to May 15, 2023, Tacora may, on any one or more occasions, redeem up to 40% of the aggregate principal amount of the 2026 Notes issued under the Indenture, upon not less than 30 nor more than 60 days’ notice, at a redemption price equal to 108.250% of the principal amount of the 2026 Notes redeemed, plus accrued and unpaid interest, if any, to, but not including, the date of redemption (subject to the rights of holders of the 2026 Notes on the relevant record date to receive interest on the relevant interest payment date), with an amount not greater than the net cash proceeds of an equity offering by Tacora; *provided*, that:

- (1) at least 60% of the aggregate principal amount of the 2026 Notes originally issued under the Indenture (excluding 2026 Notes held by Tacora and its Subsidiaries) remains outstanding immediately after the occurrence of such redemption; and
- (2) the redemption occurs within 180 days of the date of the closing of such equity offering.

At any time prior to May 15, 2023, Tacora may on any one or more occasions redeem all or a part of the 2026 Notes, upon not less than 30 nor more than 60 days’ notice, at a redemption price equal to 100% of the principal amount of the 2026 Notes redeemed, plus the applicable premium as of, and accrued and unpaid interest, if any, to, but not including, the date of redemption (subject to the rights of holders of 2026 Notes on the relevant record date to receive interest due on the relevant interest payment date).

The indenture governing the 2026 Notes restricts Tacora’s ability to create certain liens, to enter into sale leaseback transactions and to consolidate, merge, transfer or sell all, or substantially all assets. It also contains provisions requiring that Tacora make an offer to purchase the 2026 Notes from holders upon a change of control under certain specified circumstances, as well as other customary provisions.

Notes to the consolidated financial statements

(expressed in thousands of US Dollars, except where otherwise noted)

On February 16, 2022, Tacora issued an additional \$50 million aggregate principal amount of 8.250% Senior Secured Notes due 2026. Tacora received net proceeds of approximately \$45.0 million after fees of approximately \$5.0 million related to underwriting and third-party expenses. The net proceeds will be used for working capital and other corporate purposes.

Note 15 – Leases	As at Dec 31, 2022	As at Dec 31, 2021
Lease liabilities		
Current	11,193	9,859
Non-current	22,709	38,365
Total lease liabilities	33,902	48,224

Maturity Analysis – contractual undiscounted cash flows

Year 1	11,193	9,806
Year 2	11,002	10,409
Year 3	7,261	10,153
Year 4	2,747	6,562
Year 5	1,710	2,392
Onwards	-	1,467
Total undiscounted cash flows	33,913	40,789

Tacora Resources does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the treasury function.

Note 16 – Accrued liabilities

Accrued liabilities consist of the following:

	As at Dec 31, 2022	As at Dec 31, 2021
Sales tax payable	1,324	-
Royalties payable	5,648	6,196
Interest payable	5,150	2,856
Payroll accruals	2,484	3,015
Fixed price agreement collateral received (note 19)	-	11,631
Accounts payable accruals	13,042	17,479
Miscellaneous accrued liabilities	446	225
Balance per consolidated balance sheet	28,094	41,402

Notes to the consolidated financial statements

(expressed in thousands of US Dollars, except where otherwise noted)

Note 17 – Taxation

Tacora is subject to income tax in numerous jurisdictions. Income tax on the consolidated statements of income (loss) and comprehensive income (loss) consists of current and deferred tax. No deferred tax asset has been recognized on the net deductible temporary difference given no history of profits.

The expense for current income tax is as follows:

	Year Ended	
	2022	2021
Current income tax expense	480	542
Income tax expense	480	542

The following table reconciles the expected income tax (recovery) / expense at the statutory income tax rate of 30% which is the combined federal and NL tax rate (2021: 30%) to the amounts recognized in the consolidated statements of income:

	Year Ended	
	2022	2021
Net income reflected in consolidated statements of income	(32,372)	30,211
Expected income tax (recovery) expense	(9,711)	9,063
Permanent differences	40	482
Adjustments related to prior year balances	5	1,004
Unrecognized deferred tax assets	4,037	(9,777)
Foreign exchange	5,884	(679)
Other	225	449
Income tax	480	542

The following table summarizes deductible temporary differences for which no deferred tax asset has been recognized:

	Year Ended	
	2022	2021
Hedges	-	-
Fixed assets, intangibles and other	(60,731)	(32,971)
Loss on debt modification	-	-
Non-capital loss carry forwards	273,069	231,854
Total unrecognized deductible temporary differences	212,338	198,883

As of December 31, 2022 the company has total non-capital losses of \$273.1 million (2021 - \$231.9 million) comprised of \$273.1 million relating to Canada which, if not utilized, will expire between 2037 and 2041.

Notes to the consolidated financial statements

(expressed in thousands of US Dollars, except where otherwise noted)

Note 18 – Equity

	Shares Authorized	Shares Issued	Total (\$)
Ordinary Shares:			
Common – no par value	235,700,480	235,700,408	263,350
Restricted Shares:			
Class A	3,300,000	2,739,000	0.273
Class B	3,300,000	1,080,750	0.273
Balance as of Dec 31, 2021	242,300,480	239,520,158	263,350

	Shares Authorized	Shares Issued	Total (\$)
Ordinary Shares:			
Common – no par value	235,700,480	235,700,408	263,350
Restricted Shares:			
Class A	3,300,000	2,739,000	0.273
Class B	3,300,000	1,080,750	0.273
Balance as of Dec 31, 2022	242,300,480	239,520,158	263,350

Restricted Shares

Tacora currently has 2,739,000 Class A Non-Voting Shares and 1,080,750 Class B Non-Voting Shares outstanding. In connection with and prior to closing on a liquidity event as defined in the shareholders agreement, the following capital changes will be implemented:

- All of the 2,739,000 Class A Non-Voting Shares will be converted into Common Shares on a one-for-one basis;
- All of the 1,080,750 Class B Non-Voting Shares will be (i) subject to the achievement of a defined valuation, converted into Common Shares on a one-for-one basis or (ii) redeemed for nominal consideration by the Company;

Notes to the consolidated financial statements

(expressed in thousands of US Dollars, except where otherwise noted)

Stock Options

The Company offers a stock option plan for certain employees.

	Number of Stock Options	Weighted- Average Exercise Price
Options exercisable as of Dec 31, 2020	1,826,000	2.00
Granted	2,040,000	2.00
Exercised	-	-
Cancelled	(1,640,500)	-
Options exercisable as of Dec 31, 2021	2,225,500	2.00
Granted	4,035,000	2.00
Exercised	-	-
Cancelled	(1,540,000)	-
Options exercisable as of Dec 31, 2022	4,720,500	2.00

The stock options shall vest, and may be exercised in whole or in part, only upon a liquidity event as defined in the stock option agreement. The Company does not recognize compensation cost for the stock options until the liquidity is deemed probable. No amounts have been recognized as of December 31, 2022 or December 31, 2021.

Note 19 – Commitments and contingencies

At December 31, Tacora's commitments were comprised of the following payments and described below:

	2022 USD\$	2021 USD\$
Payments due in one year	40,949	49,075
Payments due in one to five years	9,599	10,238
Payments due later than five years ¹	67,426	90,471

(1) Includes Tacora's environmental rehabilitation provision (Note 13)

Mining leases and royalties

Tacora is party to the Mining Lease pursuant to which Tacora was granted the exclusive contractual right to explore, investigate, develop, produce, extract, remove by open pit or other method of mining, smelt, reduce and otherwise process, make merchantable, store, sell and ship all iron ore products from a mine on a parcel of land located near Wabush, Newfoundland and Labrador on which the Scully Mine is located. The Mining Lease is effective for a term extending to and including May 20, 2055; however, the Mining Lease may be cancelled by Tacora generally on six months' written notice.

At the commencement of shipping iron ore products, Tacora is required to pay an earned royalty fee per metric tonne of 7.0% of Net Revenues less certain deductible expenses, in accordance with the calculation

Notes to the consolidated financial statements

(expressed in thousands of US Dollars, except where otherwise noted)

as defined in the Mining Lease. To the extent that Tacora has not commenced or ceases the shipping of iron ore products and the sum of the earned royalty fee in a given calendar quarter is less than C\$0.8 million, Tacora is required to pay a minimum quarterly royalty of C\$0.8 million (of which 20 percent is withheld and remitted to the Province of Newfoundland and Labrador). There were no prepaid royalties at December 31, 2022.

Royalties paid in the years ended December 31, 2022 and 2021 were approximately \$22.6 million and \$36.1 million, respectively. Accrued royalties in the amount of \$5.7 million and \$6.2 million were recorded in other accrued expenses at December 31, 2022 and 2021, respectively.

Transportation services

Tacora is committed to purchasing transportation services that will require minimum annual payments of approximately \$38.6 million. In the event Tacora suspends production and shipments of iron ore at the Scully mine for any reason for a period longer than one year, the obligation to pay minimum annual payments is suspended.

Note 20 – Derivative liability

Tacora will be exposed to fluctuations in iron ore market prices and dry bulk freight costs related to iron ore sales and believes commodity price hedging could provide a long-term benefit to shareholders. Therefore, Tacora may hedge certain commitments in the future with an emphasis on mitigating commodity price risk during the ramp up of the Scully Mine. The Company may use cash-settled commodity forward contracts to hedge the market risk associated with the sales of iron ore. These derivatives may be used with respect to a portion of the Company's iron ore sales. Independent of any hedging activities, price decreases in the iron ore market or price increases in dry bulk freight costs could negatively affect revenue and therefore earnings.

Iron ore derivatives are marked to market and recognized as an asset or liability at fair value, with changes in fair value reflected in net income unless the Company qualifies for, and elects hedge accounting. If the Company qualifies for and elects hedge accounting, the effective gains and losses for iron ore derivatives designated as cash flow hedges of forecasted sales of iron ore are recognized in accumulated other comprehensive income, a component of Shareholder's Equity on the Balance Sheet and reclassified into revenue in the same period as the earnings recognition of the associated underlying transaction. Gains and losses on these designated derivatives arising from either hedge ineffectiveness or related to components excluded from the assessment of effectiveness are recognized in current income as they occur. In 2018, and as required by our senior secured debt agreements, the Company had entered into iron ore commodity forward contracts. All forward contracts were settled as of December 31, 2021. The Company has not elected hedge accounting for any of the commodity forward contracts for the years ended December 31, 2022 and 2021.

Note 21 – Financial instruments

The fair value hierarchy groups the financial instruments into Levels 1 to 3 based on the degree to which the fair value is observable. Details of each level are discussed below:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Notes to the consolidated financial statements

(expressed in thousands of US Dollars, except where otherwise noted)

The following fair value tables present information about the fair value of Tacora's assets and liabilities measured on a recurring basis as of the dates indicated:

	Dec 31, 2022				Carrying Amount
	Level 1	Level 2	Level 3	Total	
Accounts receivable	—	8,897	—	8,897	8,897
Notes payable	—	—	2,577	2,577	2,577

	Dec 31, 2021				Carrying Amount
	Level 1	Level 2	Level 3	Total	
Accounts receivable	—	10,530	—	10,530	10,530
Notes payable	—	—	2,950	2,950	2,950
Lease liabilities	—	—	7,520	7,520	7,520
Royalties payable	—	—	23,088	23,088	23,088

During the years ended December 31, 2022 and 2021, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

Note 22 – Cost of sales

	Year Ended	
	2022	2021
Mining	69,051	60,789
Processing	98,526	91,046
Logistics	92,565	107,244
General and administration	15,222	14,201
Royalties	22,241	32,146
Depreciation and amortization	24,409	22,391
Total expenses by function	322,014	327,817

Note 23 – Selling general and administrative expenses

	Year Ended	
	2022	2021
Professional fees	3,529	1,221
Salaried wages and benefits	2,795	3,029
Other	764	349
Contract services	734	358
Insurance	688	688
Travel	611	136
Sustainability and other community expense	547	840
Depreciation	40	37
Total expenses by function	9,708	6,658

Notes to the consolidated financial statements

(expressed in thousands of US Dollars, except where otherwise noted)

Note 24 – Discontinued operations

In December 2022, the Company committed to a plan to discontinue the operations of the Sydvaranger Mine and transfer the Mine to Orion Mine Finance (“Orion”). The Company determined at that time that the Sydvaranger Mine met held for sale criteria; Sydvaranger was available for transfer in its current condition, the Company committed to a transfer plan, and was in discussion with Orion as of December 31, 2022. As the Sydvaranger Mine meets held for sale classification and represents the Company’s only operations in Norway, the Mine is considered a separate geographical area of operation and, therefore, the plan to discontinue its operations results in discontinued operations classification.

The assets and liabilities classified as held for sale as of December 31, 2022 are shown below:

	Year Ended 2022
Cash	411
Receivables	182
Inventories	32
Prepaid expenses	141
Property, plant and equipment	39,182
Total assets held for sale	39,948
Accounts payable	245
Accrued liabilities	777
Lease liabilities	8,140
Long-term royalties payable	30,786
Total liabilities held for sale	39,948

The operating results of the Sydvaranger Mine for the current and comparative periods have been presented as discontinued operations within the consolidated statements of income (loss) and comprehensive income (loss) and statement of cash flows.

The results and cash flows from discontinued operations for the years ended December 31, 2022 and 2021 are shown below:

	Year Ended	
	2022	2021
Other income (expense)		
Loss on fair value measurement of discontinued operations	(61,655)	-
Income (loss before income taxes)		
Deferred income tax recovery	5,355	2,554
Net income (loss) and comprehensive income (loss) attributable to Tacora Resources, Inc., and discontinued operations	(56,300)	2,554

Notes to the consolidated financial statements

(expressed in thousands of US Dollars, except where otherwise noted)

	Year Ended	
	2022	2021
Net cash (outflow) inflow from operating activities	(236)	236
Net cash outflow from investing activities	(5,948)	(9,798)
Net cash inflow from financing activities	5,359	10,387
Increase (decrease) in cash and cash equivalents of discontinued operations	(825)	825

Note 25– Preferred Shares

On November 10, 2022, the Company entered into a Subscription Agreement (“Agreement”) with Cargill. Under the Agreement the Company issued 15,000,000 non-voting, Series C Preferred Shares (“Preferred Shares”) to Cargill in exchange for \$15 million cash consideration.

The Agreement includes a number of embedded features including put, call, optional conversions, and down-round features. The agreement includes the option for Cargill to convert the Preferred Shares into Common Shares at any point throughout the life of the agreement. Additionally, the Agreement includes an automatic conversion in which the Preferred Shares automatically convert to Common Shares upon the closing of a liquidity event which is defined as either an IPO or the sale of the majority of the voting or equity securities of the Company.

The Agreement includes a number of redemption rights held by the Company including the option to redeem the Preferred Shares, at any point, at the liquidation preference which is defined as the initial issuance price of \$1 per share which increase at a rate of 15% per year. To the extent that the Company has not redeemed the Preferred Shares and the holder has not converted the Preferred Shares, all outstanding Preferred Shares shall be mandatorily redeemed five years from the agreement close date at an amount equal to 1.5 times the liquidation preference.

A down-round feature included in the Agreement outlines that the conversion price, which is defined as \$1 per share, shall be reduced in the event that the Company issues or sells any Common Shares at a price lower than the conversion price.

The Company evaluated the Agreement to determine whether the features contained within qualify as embedded derivatives. Embedded derivatives must be separately measured from the host contract if all the requirements for bifurcation are met. The assessment of the conditions surrounding the bifurcation of embedded derivatives depends on the nature of the host contract and the features of the derivatives. The Company evaluated each feature included within the Agreement noting that the down-round feature qualifies for bifurcation from the debt-hosted financial instrument; however, a down-round event occurring from November 10, 2022 through December 31, 2022 was assessed as a 0% probability and thus this feature was assigned no value. The debt-hosted instrument is recorded as a liability on the Company’s balance sheet, consistent with IFRS 32, Financial Instruments: Presentation, as the Agreement contains a contractual obligation to deliver cash in order to settle the liability.

The Company determined the fair value of the debt-hosted instrument and the down-round derivative to record the day one impact of the Preferred Share Agreement, which included a full business enterprise valuation. The Company used significant Level 3 inputs as part of the valuation exercise including Company operations projections, tax depreciation and amortization, capital expenditures, and net working capital requirements. The difference between the carrying amount and fair value of the liabilities is recognized as a fair market value deferral.

As a result of the business enterprise valuation performed, the Company recorded a deferred gain of \$15 million which will be recognized straight-line over the life of the Agreement. As of December 31, 2022, all Preferred Shares remain outstanding.

Notes to the consolidated financial statements

(expressed in thousands of US Dollars, except where otherwise noted)

Note 26— Subsequent events

Advance Payment Facility Agreement

On January 3, 2023, the Company entered into an Advance Payments Facility Agreement (the “APFA”) with Cargill. The purpose of the agreement is to provide the Company with up to \$35 million in advance payment in exchange for future deliveries of iron ore to Cargill. The agreement includes an offsetting \$15 million floor price premium to be advanced from the Company to Cargill as consideration for guaranteeing a floor price on iron ore; resulting in a net potential advance payment of \$20 million. The agreement termination date is May 1, 2023, and thus contract covenants, representations and warranties must be satisfied by this date to avoid default. As part of the agreement, the Company shall use its best reasonable efforts to deliver a minimum of 55,000 DMT of iron ore over each four-week period from inception of the contract. After May 1, 2023, all outstanding advance amounts that have not been offset by the price of iron ore supplied to Cargill shall be repaid to Cargill.

The advanced payment agreement includes covenants, including (a) use of advance payment proceeds solely for funding ongoing operations at Wabush Scully mine and processing plant and general corporate expenses, (b) adherence to liquidity management, operational turnaround, and restructuring plans as defined between the Company and Cargill (and at Cargill’s acceptance), and (c) the Company shall not issue new equity or debt/liens unless explicitly agreed to within the advanced payment agreement.

The advanced payment agreement also includes penny warrants issued to Cargill as additional consideration. The warrants are exercisable into Common Shares, representing a non-dilutive 10% equity ownership in the Company on a fully-diluted basis and immediately exercisable for a two-year period and expiring on the January 5, 2025.

On January 10, 2023, the Company received net \$10 million of the advance payment from Cargill (the “initial advance”). On February 24, 2023, the Company received an additional \$5 million under the advance payment agreement (the “subsequent advance”). As of the issuance of this report, the Company is in compliance with all provisions within the advance payment agreement.

QNS&L

On January 9, 2023, the Company amended the QNS&L Rail Agreement (see Note 12) to:

- 1) adjust the minimum and maximum monthly tonnage requirements downward
- 2) adjust the iron ore price premium per ton downward
- 3) provide additional penalties to QNS&L for failure to meet minimum tonnage requirements (the “QNS&L Rail Amendment”);

In exchange, the Company issued QNS&L non-dilutive Common Share purchase warrants at an exercise price of \$0.01/share (i.e. penny warrants) representing a 2.5% equity ownership in the Company on a fully-diluted basis. The QNS&L Rail Amendment expires on December 31, 2024.

Employee Stock Option Plan

On January 18, 2023, the Company replaced the existing employee stock option plan with an amended and restated stock option plan. The option plan represents a non-dilutive 7.5% equity ownership in the Company on a fully-diluted basis with an option exercise of \$0.01/share.

Sydvaranger

On February 24, 2023, Tacora completed the transfer of Sydvaranger and its subsidiaries to Orion Mine

Notes to the consolidated financial statements

(expressed in thousands of US Dollars, except where otherwise noted)

Finance, a financial partner involved in the project since 2018. The transfer was structured as a cash-free transfer and resulted in no gain or loss to the Company as the Sydvaranger Mine was previously classified under discontinued operations as of 12/31/2022, and was written down to its fair value at that time.

Advance Payment Facility Agreement Amendment

On April 29, 2023, the Company entered into the APF Amendment which amends certain terms under the APF Agreement including, among others, extending the termination date for the repayment of all outstanding advances made by Cargill under the APF Agreement from May 1, 2023 to June 14, 2023, and which can further be extended to July 14, 2023 subject to the satisfaction of certain conditions. In connection with and as a condition to Cargill's entry into the APF Amendment, the Company issued to Cargill penny warrants exercisable for up to 25% of the Common Shares of the Company on a fully diluted basis.

Senior Secured Priority Notes

On May 11, 2023, the Company completed a consent solicitation process to effect certain amendments to the indenture governing the existing 2026 Notes. In addition, the Company completed the sale of \$27 million aggregate principal amount of its 9.0% Cash / 4.0% PIK Senior Secured Priority Notes due 2023 (the "Senior Secured Priority Notes"). In connection with the transaction, Tacora issued penny warrants exercisable for a two-year period into voting common shares of Tacora to the certain of the Senior Priority Noteholders which in aggregate are exercisable for approximately 31.6% of the voting common shares of Tacora on a fully diluted basis.

Restated and Amended Advance Payment Facility Agreement

On May 29, 2023, the Company entered into the Amended and Restated Advance Payments Facility (the A&R APF Agreement") which amends certain terms under the existing APF Agreement amendment in order to provide for a \$25 million senior hedging facility (the "Margining Facility") to be made available by Cargill that allows for the Company to incur certain margin amounts owing by the Company under the Offtake Agreement to be deemed as advances by Cargill in favor of the Company.

Supplemental Consolidating Balance Sheet Information

As of December 31, 2022

(expressed in thousands of US Dollars, except where otherwise noted)

	Restricted Subsidiaries	Unrestricted Subsidiaries	Eliminations	Consolidated Total
Current assets				
Cash	6,848	-	-	6,848
Receivables	8,897	-	-	8,897
Inventories	33,743	-	-	33,743
Prepaid expenses and other current assets	1,740	-	-	1,740
Assets held for sale	-	39,948	-	39,948
Total current assets	51,228	39,948	-	91,176
Non-current assets				
Property, plant & equipment, net	224,476	-	-	224,476
Intangible assets subject to amortization	46,230	-	-	46,230
Transportation deposits	4,220	-	-	4,220
Security Deposits	2,658	-	-	2,658
Financial assurance deposit	6,010	-	-	6,010
Notes Receivable – Tacora Norway	53,746	-	(53,746)	-
Total non-current assets	377,340	-	(53,746)	283,594
TOTAL ASSETS	388,568	39,948	(53,746)	374,770
Current liabilities				
Current maturities of long-term debt	1,172	-	-	1,172
Current maturities of lease liabilities	11,193	-	-	11,193
Current deferred gain – Series C Preferred	3,000	-	-	3,000
Accounts payable	25,609	-	-	25,609
Accrued liabilities	28,094	-	-	28,094
Liabilities held for sale	-	39,948	-	39,948
Total current liabilities	69,068	39,948	-	109,016
Non-current liabilities				
Long-term debt	212,894	-	-	212,894
Lease liabilities	22,709	-	-	22,709
Rehabilitation obligation	26,604	-	-	26,604
Long-term royalties payable	-	-	-	-
Long-term deferred gain – Series C Preferred	11,625	-	-	11,625
Notes Payable – Tacora Resources Inc	-	53,746	(53,746)	-
Total Non-Current Liabilities	273,832	53,746	(53,746)	273,832
TOTAL LIABILITIES	342,900	93,694	(53,746)	382,848
Shareholder's equity				
Capital stock	263,350	-	-	263,350
Accumulated deficit ¹	(217,851)	(53,746)	-	(271,597)
Equity attributable to owners of the Company	45,499	(53,746)	-	(8,247)
Non-controlling interest	169	-	-	169
TOTAL EQUITY	45,668	(53,746)	-	(8,078)
TOTAL LIABILITIES AND EQUITY	388,568	39,948	(53,746)	374,770

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (UNAUDITED)

Annual MD&A

The following management's discussion and analysis of financial condition and results of operations ("MD&A") is prepared as of the date of the Tacora audited consolidated financial statements (Financial Statements") and is intended to assist readers in understanding the financial performance and financial condition of Tacora. This MD&A provides information concerning Tacora's financial condition at December 31, 2022 and results of operations for the 52-week period ending December 31, 2022 ("Fiscal 2022").

All of the financial information contained within the MD&A is expressed in thousands of United States dollars, except where otherwise noted. The following abbreviations are used throughout this document: USD or US\$ (United States dollar), CAD or C\$ (Canadian dollar), Mt (metric tonnes), wmt (wet metric tonnes), dmt (dry metric tonnes), Mtpa (million tonnes per annum), Btpa (billion tonnes per annum) and M (million).

This MD&A should be read in conjunction with the Financial Statements, including the related notes thereto.

Cautionary note regarding forward-looking information

Some of the information in this MD&A contains forward-looking information, such as statements regarding the Company's future plans and objectives that are subject to various risks and uncertainties. This information is based on management's reasonable assumptions and beliefs in light of the information currently available to it and is provided as of the date of this MD&A and the Company cannot assure investors that such information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such information as a result of various factors. Factors that could cause actual performance to differ from our current expectations include changes to the market price of iron ore, difficulties in implementing our plans to increase iron ore production, interruptions of our production or in necessary infrastructure, and other market and business factors. The results for the periods presented are not indicative of the results that may be expected for any future periods. The Company does not undertake to update any such forward-looking information whether as a result of new information, future events or otherwise. We caution that the list of risk factors and uncertainties is not exhaustive and other factors could also adversely affect our results. Investors are urged to consider the risks, uncertainties and assumptions carefully in evaluating the forward-looking information and are cautioned not to place undue reliance on such information.

Company overview

The Company is in the business of identifying, mining and processing iron ore mineral reserves and resources. The mining of iron ore at the Scully Mine is the Company's main business at this time; however, other revenue streams may be added in the future. The Company's future performance is largely tied to the continued operation of the Scully Mine, other prospective business opportunities and the overall market for iron ore.

On July 18, 2017, the Company completed the acquisition of the Scully Mine, an iron ore mine and processing facility located north of the Town of Wabush in Newfoundland and Labrador, Canada, together with the Wabush Lake Railway. Tacora completed the acquisition of the assets of the Scully Mine and the Wabush Lake Railway pursuant to the asset purchase agreement ("APA") pursuant to a process under the Companies' Creditors Arrangement Act (Canada). Under the APA, Tacora paid a total cash purchase price of \$1.6 million plus cash cure costs in an amount of \$8.2 million, for an aggregate purchase price of \$9.8 million. For further information about the acquisition, see Note 1 to the Company's audited consolidated financial statements for Fiscal 2022.

Following the completion of a Feasibility Study (NI 43-101) for the Scully Mine in December 2017, as prepared by G Mining Services, Inc. (“GMS”) and Ausenco, the Company focused on opportunities to finance the restart of the Scully Mine. On November 27, 2018, Tacora announced it had closed on \$212 million in private equity and senior secured debt financing, which together with up to \$64 million in mining equipment debt financing, fully funded the restart of the Scully Mine. In addition, during the course of the 2018 fiscal year, the Company amended the Cargill Offtake Agreement and finalized certain port access agreements and rail/transportation agreements in anticipation of the successful restart of the Scully Mine.

As the Company progressed into the 2019 fiscal year, it restarted mining operations and commercial production at the Scully Mine. On May 25, 2019, ore was delivered to the crusher and the first mill was successfully started up on May 28, 2019. During June 2019, the Company successfully commissioned its concentrator and produced its first wet concentrate, undertook its first mine blast and celebrated its first loaded train. On August 30, 2019, the Company announced that its first seaborne vessel shipment of iron ore concentrate produced at the Scully Mine departed the Port of Sept-Iles, Quebec, with a payload of 69,770 wmt of premium concentrate bound for a customer in Europe.

On January 13, 2021, the Company completed the acquisition of 100% of the share capital of Sydvaranger Mining AS (the “Sydvaranger Mine” or “Sydvaranger”). The Sydvaranger Mine is a long-life, large-scale iron ore open pit, mineral processing plant and port. The concentrator and port facilities are located in the town of Kirkenes, Norway and the mines are 8 kilometers to the south near the town of Bjørnevatn, Norway. As a result of the acquisition, Tacora has the option to restart the Sydvaranger Mine which is shovel ready and fully permitted in a tier 1 jurisdiction. A third-party Feasibility Study for the Sydvaranger Mine issued in October 2019 provided an overview of an Environmental and Social Impact Assessment being conducted on the mine by Ramboll in accordance with the International Finance Corporation Performance Standards and Sectoral Environmental, Health & Safety Guidelines. Ramboll’s assessment identified no risks that were critical or could not be managed operationally. In December 2022, the Company committed to a plan to discontinue the operations of the Sydvaranger Mine and transfer the Mine to Orion Mine Finance (“Orion”). The Company determined at that time that the Sydvaranger Mine met held for sale criteria; Sydvaranger was available for transfer in its current condition, the Company committed to a transfer plan, and was in discussion with Orion as of December 31, 2022. As the Sydvaranger Mine meets held for sale classification and represents the Company’s only operations in Norway, the Mine is considered a separate geographical area of operation and, therefore, the plan to discontinue its operations results in discontinued operations classification.

Key financial drivers

Iron ore price

The price of iron ore concentrate is the most significant factor determining the Company’s financial results. As such, cash flow from operations and the Company’s development may, in the future, be significantly adversely affected by a decline in the price of iron ore. The iron ore concentrate price fluctuates daily and is affected by a number of industry and macroeconomic factors beyond the control of the Company.

Due to the high-quality nature of our iron ore concentrate, which is high in iron averaging 65.4% and low in impurities such as silica averaging 2.63% in 2022, the Company’s iron ore sales attract a premium over the IODEX 62% Fe CFR China Index (“P62”) widely used as the reference price in the industry. As such, the Company quotes and sells its products on the high-grade IODEX 65% Fe CFR China Index (“P65”). The premium captured by the P65 index is attributable to steel mills recognizing that higher iron ore grades offer a benefit in the form of efficiency or output optimization while also significantly decreasing CO2 emissions per tonne of steel produced.

Tacora’s iron ore sales contracts are structured on a provisional pricing basis, with the final sales price determined using the iron ore price indices on or after the vessel’s arrival to the port of discharge. The Company recognizes revenues from iron ore sales when unit train shipments from the Scully Mine are delivered and unloaded at the port. The estimated gross consideration in relation to the provisionally priced

shipments is accounted for using the average P62 iron ore price at the time the unit train is unloaded, plus 60% of the estimated P65 premium over the P62 price at the time the unit train is unloaded. Once the vessel arrives at its destination, the impact of the iron ore price movements, compared to the marked to market price over the quotational period is accounted for as a provisional pricing adjustment to revenue. As of December 31, 2022, Tacora had \$69.8 million in revenues awaiting final pricing, with the final price to be determined in the following reporting periods. Comparatively, as of December 31, 2021, Tacora had \$111.4 million in revenues awaiting final pricing.

Tacora believes commodity price hedging could provide a long-term benefit to shareholders. During the fourth quarter 2022, Tacora entered into monthly average index P62 fixed price contracts with Cargill to help mitigate commodity price risk during the ramp up of the Scully Mine. A total of 0.6 million tonnes were fixed with settlement dates between January 1, 2023 and March 31, 2023.

Ocean freight is an important component of the Company's pricing formula and is subtracted from the gross consideration as Tacora's concentrate is shipped into the seaborne iron ore market. The common reference route for dry bulk material from the Americas to Asia is the Tubarao to Qindao route which encompasses 11,000 miles. The freight cost per tonne associated with this route is captured in the C3 Baltic Capesize Index ("C3"), which is considered the reference ocean freight cost for iron ore shipped from the Americas to the Far East. There is no index for the route between the port of Sept-Iles, Canada and China. The route from Sept-Iles to the Far East totals approximately 14,000 miles and is subject to different weather conditions during the winter season, therefore the freight cost per tonne associated with this voyage is generally higher than the C3 price.

Production volume

Maintaining a high level of total material mined, plant throughput and iron recovery, as well as managing costs is critical in keeping our production costs low and determining our financial results. We invest heavily in maintaining our equipment and training our employees to ensure that the mine and plant remain fully operational.

During the twelve-month period ended December 31, 2022, 20.6 million tonnes of material was mined, compared to 25.6 million tonnes of material mined the prior year. The decrease is mainly due to the reduced availability of our mobile equipment fleet. In order to attain name-plate iron ore concentrate production of 6Mtpa, the Company estimates it will need to achieve at least 32.0 million tonnes of total material mined on an annual basis.

The plant processed 10.1 million tonnes of ore during the twelve-month period ended December 31, 2022, compared to 10.8 million tonnes of ore in the prior year. The plant achieved an average mill operating time of approximately 62% for the year ended December 31, 2022 compared to approximately 62% in the comparable prior year period. The decrease in ore processed is mainly due to the ore characteristic which decreased milling rates. We calculate mill operating time by subtracting the number of hours of mill downtime from the number of total hours in the year and dividing by the number of total hours in the year. The increase in ore processed is mainly due to the ability to achieve higher throughput rates in the mills. In order to attain name-plate iron ore concentrate production of 6Mtpa, the Company estimates it will need to achieve an overall mill operating time of at least 88% which will allow it to process 17.5 million tonnes of ore on an annual basis.

The Scully Mine achieved an average iron recovery of 56% during the twelve-month period ended December 31, 2022 compared to an average iron recovery of 51% during the prior year. The increase in iron recovery is driven by more efficient processing due to better process control standards. Based on the foregoing, the Scully Mine produced 3.1 million tonnes of 65.4% Fe high-grade iron ore concentrate during the twelve-month period ended December 31, 2022 compared to 3.2 million tonnes of 65.7% high-grade iron ore concentrate during the prior year.

Currency

The USD is the Company's reporting and functional currency, excluding Knoll Lake whose functional currency is Canadian dollars and Sydvaranger whose functional currency is Norwegian Krone, which are translated to USD in the consolidated financial statements of the Company. Our costs of goods sold at the Scully Mine are mainly incurred in Canadian dollars. Consequently, the Company's operating results and cash flows are influenced by changes in the exchange rate for the Canadian dollar against the U.S. dollar. Therefore, the Company is exposed to foreign currency fluctuations as its mining, mineral processing, rail and port operating expenses are mainly incurred in Canadian dollars. Currently, the Company has no currency hedging contracts in place and therefore has exposure to foreign exchange rate fluctuations. The strengthening of the U.S. dollar would positively impact the Company's net income and cash flow while the strengthening of the Canadian dollar would reduce its operating margin and cash flow.

Apart from these key drivers and the risk factors noted under "Risks", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations.

Key income statement measures

Revenue

Revenue is driven by the amount of product delivered to customers, global iron ore spot prices, certain customer specific discounts and premiums and a variety of other factors, such as commodity prices, freight costs and the iron and moisture content of our finished products.

Cost of sales

Our cost of sales includes production cost such as labor, maintenance, petroleum-based products and utilities, as well as royalties, depreciation and amortization. Our royalty agreement requires us to pay a royalty fee based on the revenue we earn, which is payable quarterly. We believe our cost of labor will grow in line with the expansion of our operations and productive capacity. All of our production labor expenses are governed by collective bargaining agreements. We are, however, susceptible to fluctuations in the electricity, bunker c and diesel costs, which are used to operate our production facilities and mining equipment.

Operating expenses

Our operating expenses consist primarily of selling, general and administrative expenses, which we believe will remain stable as a percentage of revenue as we expand our operations and production capacity in the years to come.

Results of operations

Year ended December 31, 2022 compared to year ended December 31, 2021

(\$ in millions, except shipments)	Years Ended Dec 31,		Increase (Decrease)	Percent Change
	2022	2021		
Revenue	\$ 324.9	\$ 446.1	\$ (121.2)	(27.2%)
Cost of sales	322.1	327.8	(5.7)	(1.7%)
Gross profit	2.8	118.3	(115.5)	(97.6%)
Operating expenses	9.7	6.7	3.0	44.8%
Operating income (loss)	(6.9)	111.6	(118.5)	(106.2%)
Non-operating loss	(82.3)	(79.5)	2.8	3.5%
Net income (loss)	\$ (89.2)	\$ 32.1	\$ (121.3)	(377.9%)
Third party shipments (tonnes)	3,057,548	3,132,342	(74,794)	(2.4%)

Revenue

Realized price for the year ended December 31, 2022 compared to year ended December 31, 2021

(\$ per dmt sold)	Years Ended Dec 31,		Increase (Decrease)	Percent Change
	2022	2021		
Average index P62	\$ 120.2	\$ 160.1	\$ (39.9)	(24.9%)
Fixed sales/timing	0.1	(0.1)	0.2	165.2%
Premium over P62	11.6	15.4	(3.8)	(24.9%)
Gross realized price	131.8	175.4	(43.6)	(24.9%)
Freight and other costs	(30.1)	(31.4)	(1.3)	(4.1%)
Provisional pricing adjustments	6.0	2.9	3.1	106.9%
Other	(1.4)	(4.5)	3.1	68.3%
Net realized price	\$ 106.3	\$ 142.4	\$ (36.1)	(25.4%)

For the year ended December 31, 2022, our revenue was approximately \$324.9 million, a decrease of \$121.2 million, or 27.2%, from our revenue of \$446.1 million for the year ended December 31, 2021. The decrease in our revenue was attributable to a 25.4% decrease in the net realized price applicable to concentrate pricing for the year ended December 31, 2022 compared to 2021. This was also impacted by 0.1 million less tonnes shipped during the year ended December 31, 2022 compared to the prior year.

Cost of sales

Cost of sales for the year ended December 31, 2022 compared to year ended December 31, 2021

(\$ in millions)	Years Ended Dec 31,		Increase (Decrease)	Percent Change
	2022	2021		
Mining	\$ 69.1	\$ 60.8	\$ 8.3	13.7%
Processing	98.5	91.0	7.5	8.2%
Logistics	92.6	107.2	(14.6)	(13.6%)
General and administration	15.2	14.2	1.0	7.0%
Royalties	22.2	32.2	(10.0)	(31.1%)
Cash cost of sales	297.6	305.4	(7.8)	(2.6%)
Depreciation and amortization	24.4	22.4	2.0	8.9%
Cost of sales	\$ 322.0	\$ 327.8	\$ (5.8)	(1.8%)

For the year ended December 31, 2022, our cost of sales were approximately \$322.0 million, an decrease of \$5.8 million, or 1.8%, compared to our cost of sales of \$327.8 million for the year ended December 31, 2021.

Mining costs increased by \$8.3 million primarily due to increased spending on equipment and contractor maintenance, a new fuel-tax adjustment, and an unfavorable price variance on diesel fuel of 55.3% compared to 2021. Processing costs increased by \$7.5 million due primarily to an increase in bunker-c usage and price, in addition to increased direct labor. This was partially offset by a decrease in external consultant and contractor costs.

Logistics costs decreased by \$14.6 million partially due to a decrease in the pricing premium included in the logistics costs. A portion of our rail costs are linked to the P62 index which on average decreased \$39.9 per tonne as compared to the prior year. Our royalty is based on revenue and due to the decrease in revenue in the current year, as mentioned above, we saw decreased royalties expense of \$10.0 million.

We believe our cost of sales will continue to increase, but we also expect our cost of sales per dmt sold will continue to decrease as we ramp up shipments from the Scully Mine.

Further, we believe our cost of labor at the Scully Mine will grow in line with the expansion of our operations and production capacity. Our production labor expenses are governed by a collective bargaining agreement. We expect that utilities, including electricity, bunker c and diesel fuel costs may increase over the next five years. To counter these potential increases, we assess process improvements on a continuous basis as well as monitor price forecasts for commodities to evaluate opportunities to hedge our exposure regarding commodity price risk.

Gross profit

For the year ended December 31, 2022, our gross profit was approximately \$2.8 million, a decrease of \$115.5 million, or 97.6%, from our gross profit of \$118.3 million for the year ended December 31, 2021. The decrease in our gross profit for the year ended December 31, 2022 was primarily due to a decrease in realized pricing and revenue as mentioned above. We believe that cost of sales will increase at a rate slower than revenue for the reasons also discussed above, and therefore we expect gross profit margin will continue to improve going forward.

Operating expenses

For the year ended December 31, 2022, our operating expenses were approximately \$9.7 million, an increase of \$3.0 million, or 44.8%, over our operating expenses of \$6.7 million for the year ended December 31, 2021. The increase in operating expenses is primarily attributable to increased professional fees, contract services and travel which were partially offset by a decrease in salaried wages and benefits. We believe selling, general and administrative expenses as a percent of revenue will decrease as we ramp up our production capacity.

Operating income (loss)

Our operating loss for the year ended December 31, 2022 was approximately \$6.9 million, an decrease of \$118.5 million, or 106.2%, from our operating income of \$111.6 million for the year ended December 31, 2021. This decrease is primarily a function of the decrease in our gross profit as discussed above.

Non-operating loss

For the year ended December 31, 2022, our non-operating loss was approximately \$82.3 million, an increase of \$2.8 million, or 3.5%, from our non-operating loss of \$79.5 million for the year ended December 31, 2021. The increase in our non-operating loss for the year ended December 31, 2022 primarily resulted from a decrease in our loss on derivative instruments of \$42.8 million and a decrease of \$15.2 million in our loss on debt extinguishment from the year prior which were partially offset by an increase in loss on fair value of disposal group of \$56.3 million which was a result of the impairment of the Sydvaranger Mine asset.

Net income (loss)

For the year ended December 31, 2022, our net loss was approximately \$89.2 million, a decrease of \$121.3 million, or 377.9%, from our net income of \$32.1 million for the year ended December 31, 2021. The decrease in our net income for the year ended December 31, 2022 is primarily attributable to the decrease in gross profit margin resulting from the decrease in revenue as discussed above.

Non-IFRS financial measures

The Company has identified certain measures that it believes will assist understanding of the financial performance of the business. As the measures are not defined under IFRS, they may not be directly

comparable with other companies' similar measures. The non-IFRS measures are not intended to be a substitute for, or superior to, any IFRS measures of performance but management has included them as these are considered to be important measures used within the business for assessing performance. These measures are explained further below.

Working capital

This MD&A refers to “working capital”, which is not a recognized measure under IFRS. This non-IFRS liquidity measure does not have a standardized meaning prescribed by IFRS and is therefore unlikely to be comparable to a similar measure presented by other issuers. “working capital” is defined by the Company as current assets less current liabilities. Management uses this measure internally to better assess performance trends. Management understands that a number of investors and others who follow the Company’s business assess performance in this way. This data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

The Company’s working capital is as follows:

(\$ in millions)	As of Dec 31, 2022	As of Dec 31, 2021
Current assets		
Cash	\$ 6.8	\$ 34.9
Receivables	8.9	10.5
Inventories	33.7	19.0
Transportation deposits, current portion	0.0	7.7
Prepaid expenses and other current assets	1.8	4.7
Assets held for sale	40.0	0.0
	91.2	76.8
Current liabilities		
Current maturities of long-term debt	1.2	2.9
Current maturities of leased liabilities	11.1	9.9
Current deferred gain – Series C Preferred	3.0	0.0
Accounts payable	25.6	11.7
Accrued liabilities	28.1	41.4
Liabilities held for sale	40.0	0.0
	109.0	65.9
Working capital/(deficiency)	\$ (17.8)	\$ 10.9

As of December 31, 2022, the Company had a working capital deficiency of \$17.8 million compared to working capital of \$10.9 million as of December 31, 2021.

The Company’s current assets as of December 31, 2022 increased by \$14.4 million since December 31, 2021. The increase was mainly due to an increase in inventory of \$14.7 million and an increase in assets held for sale of \$40.0 million which were partially offset by a decrease in cash of \$28.1 million. The reduction in cash was mainly due to cash used by operating activities of \$20.7 million and net outflows for investing activities of \$57.8 million which were partially offset by net inflows from financing activities were \$50.4 million, including \$15.0 million proceeds from the issuance of preferred shares and \$53.0 million proceeds from long term borrowing.

The Company's current liabilities as of December 31, 2022 increased by \$43.1 million since December 31, 2021. The increase was primarily due to the increase in liabilities held for sale of \$40.0 million.

FOB Cash Costs Pointe Noire

FOB Cash Costs Pointe Noire is a supplemental financial measure that is not prepared in accordance with IFRS. We define FOB Cash Costs Pointe Noire as cost of sales less royalties, depreciation and amortization divided by tonnes sold.

(\$ per dmt sold)	Years Ended Dec 31,		Increase (Decrease)	Percent Change
	2022	2021		
Mining	\$ 22.6	\$ 20.0	\$ 2.6	13.0%
Processing	32.2	29.2	3.0	10.3%
Logistics	30.3	33.7	(3.4)	(10.1%)
General and Administration	5.0	4.3	0.7	16.3%
FOB Cash Costs Pointe Noire	90.1	87.2	2.9	3.3%
Royalties	7.3	10.3	(3.0)	(29.1%)
Depreciation and Amortization	8.0	7.1	0.9	12.7%
Cost of sales	\$ 105.4	\$ 104.6	\$ 0.8	0.8%

The Scully Mine shipped an aggregate amount of approximately 3.1 million tonnes of concentrate at a blended average FOB Cash Costs Pointe Noire of \$90.1 per tonne for the year ended December 31, 2022, compared to 3.1 million tonnes of concentrate at a blended average of \$87.2 per tonne for the year ended December 31, 2021.

Mining costs increased by \$2.6 per dmt due to increased spending on equipment and contractor maintenance and an unfavorable price variance on diesel fuel.

Processing costs increased by \$3.0 per dmt due to an increase in bunker-c usage and price in addition to increased direct labor. This was partially offset by a decrease in external consultant and contractor costs.

Logistics costs decreased by \$3.4 per dmt partially due to a decrease in the pricing premium included in the logistics costs. A portion of our rail costs are linked to the P62 index which on average decreased \$39.9 dollars per tonne as compared to the prior year.

Royalties are based on revenue and due to the decreased revenue in the current year we saw decreased royalties expense of \$3.0 per dmt.

Once the Scully Mine is fully ramped-up, we estimate our FOB Cash Costs Pointe Noire will be approximately \$42 per tonne on a blended average basis subject to the P62 iron ore price which impacts the cost of logistics.

We believe our calculation of FOB Cash Costs Pointe Noire is useful to management and investors for analyzing and benchmarking performance and it facilitates comparison of our results among our peer iron ore mining operations. Our projections related to FOB Cash Costs Pointe Noire are based on assumptions related to various factors, including, but not limited to, commodity prices and production costs. These costs are subject to change and such changes may affect our projections of FOB Cash Costs Pointe Noire. In addition, the assumptions and estimates underlying our future FOB Cash Costs Pointe Noire are inherently uncertain and, although we consider them to be reasonable as of the date of this MD&A, they are subject to regulatory, business and economic risks and uncertainties that could cause actual results to differ materially from our estimated future FOB Cash Costs Pointe Noire contained herein. The timing of events and the magnitude of their impact might differ from those assumed in preparing our future FOB Cash Costs Pointe Noire estimates, and this may have a material negative effect on our financial performance and on our ability to meet our financial obligations. Our estimated

future FOB Cash Costs Pointe Noire contained herein may not be indicative of our future financial performance and our results may differ materially from those presented herein. Inclusion of our estimated future FOB Cash Costs Pointe Noire should not be regarded as a representation by any person that such future FOB Cash Costs Pointe Noire will be achieved.

EBITDA and Adjusted EBITDA

EBITDA is defined as net income before interest expense (net), income taxes, depreciation and amortization, unrealized mark-to-market on derivative instruments and foreign currency exchange gains. Adjusted EBITDA is further adjusted to exclude realized gains or losses on derivative instruments, unwinding of present value discount on asset retirement obligations, NALCO Tax expense, interest income and other infrequent or unusual transactions and is used by management to measure operating performance of the business. EBITDA and Adjusted EBITDA are supplemental measures of our performance and our ability to service debt that are not required by or presented in accordance with IFRS. EBITDA and Adjusted EBITDA are not measurements of our financial performance under IFRS and should not be considered as alternatives to net income or other performance measures derived in accordance with IFRS, or as alternatives to cash flow from operating activities as measures of our liquidity. In addition, our measurements of EBITDA and Adjusted EBITDA may not be comparable to similarly titled measures of other companies. Management believes that the presentation of EBITDA and Adjusted EBITDA included in this MD&A provide useful information to investors regarding our results of operations because they assist in analyzing and benchmarking the performance and value of our business.

EBITDA and Adjusted EBITDA have limitations as analytical tools, and you should not consider such measures either in isolation or as substitutes for analyzing our results as reported under IFRS. Some of these limitations are:

- EBITDA and Adjusted EBITDA do not reflect changes in, or cash requirements for, our working capital needs;
- EBITDA and Adjusted EBITDA do not reflect our interest expense or the cash requirements necessary to service interest or principal payments on our debt;
- EBITDA and Adjusted EBITDA do not reflect our tax expenses, or the cash requirements to pay our taxes;
- EBITDA and Adjusted EBITDA do not reflect historical cash expenditures or future requirements for capital expenditures or contractual commitments;
- Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and EBITDA and Adjusted EBITDA do not reflect any cash requirements for such replacements; and
- Other companies in our industry may calculate EBITDA and Adjusted EBITDA differently, limiting their usefulness as comparative measures.

Because of these limitations, EBITDA and Adjusted EBITDA should not be considered as discretionary cash available to us to reinvest in the growth of our business or as a measure of cash that will be available to use to meet our obligations.

The following table is a reconciliation of our net income to EBITDA and Adjusted EBITDA:

(\$ in thousands)	Years Ended Dec 31,	
	2022	2021
Net income (loss)	\$ (89,206)	\$ 32,121
Unrealized mark-to-market on derivative instruments	-	(80,952)
Consolidated net income	\$ (89,206)	\$ (48,831)
Interest expense	23,103	18,662
Income tax (recovery) expense	480	(2,012)
Depreciation and amortization	24,449	22,428
Loss on fair value of disposal group	56,300	-
Foreign exchange gain	(129)	(21)
EBITDA	\$ 14,997	\$ (10,389)
Other expense	2,872	19,683
Interest income	(441)	(246)
Realized loss on derivative instruments	-	123,781
Gain on financial instrument	(375)	-
NALCO Tax	524	560
Adjusted EBITDA	\$ 17,577	\$ 134,004

Cash flows

The following discussion summarizes the significant activities impacting our cash flows during the years ended December 31, 2022 and 2021.

Cash flows from operating activities

Cash flows used by operating activities was \$20.7 million for the year ended December 31, 2022 compared to cash flows generated by operating activities of \$99.9 million for the same period in 2021. The decrease in cash generated by operating activities was primarily due to the decrease in revenue of \$121.2 million as discussed above.

Cash flows from investing activities

Net cash used by investing activities decreased to \$57.8 million for the year ended December 31, 2022 compared to \$192.5 million for the same period in 2021. Capital expenditures for the acquisition of property, plant and equipment were \$53.8 million for the year ended December 31, 2022 due to investments in capital improvements for the Scully Mine of \$47.9 million and capitalized project costs for the Sydvaranger Mine of \$5.9 million. There was no cash used for commodity forward contract settlements during the year ended December 31, 2022 compared to \$132.6 million for the same period in 2021. Net cash used for commodity forward contracts in 2021 were driven by the requirement to hedge in December 2018, which was a provision within our previous senior secured debt.

Cash flows from financing activities

Net cash provided by financing activities during the year ended December 31, 2022 was \$50.4 million compared to \$7.9 million for the year ended December 31, 2021. The increase in cash provided by financing activities was due to net proceeds from long-term borrowings of \$47.9 and proceeds from issuance of preferred shares of \$15.0 million for the year ended December 31, 2022. This was partially offset by \$12.3 million of principal payments on long-term debt. For the twelve months ended December 31, 2021 \$166.6 million of proceeds from long-term borrowings were received as a result of our issuance of senior notes in May 2021. This was mostly offset by principal payments on long-term debt and prepayment penalty on long-term borrowings of \$158.5 million.

Financing arrangements

Senior secured debt

On July 18, 2017, Tacora closed on an unsecured interest free note payable in the amount of \$9.8 million Canadian dollars. The proceeds of the note were provided to the Province of Newfoundland and Labrador for the purpose of funding the requisite amount of financial assurance required as part of a rehabilitation and closure plan approved by the Province of Newfoundland and Labrador. Tacora will repay the loan through quarterly payments equal to \$0.65 per metric tonne of iron ore concentrate shipped from the Scully Mine. The note will terminate on the date upon which the entirety of the loan amount has been repaid and no interest will accrue on the loan. The fair value of the debt upon initial recognition was measured at \$6.0 million. The debt is subsequently re-measured at amortized cost.

On May 11, 2021, Tacora issued \$175 million aggregate principal amount of 8.250% Senior Secured Notes due May 15, 2026 ("2026 Notes"). Tacora received net proceeds of approximately \$169.5 million after fees of approximately \$5.5 million related to underwriting and third-party expenses. Approximately \$128.2 million of the net proceeds from the issuance of the 2026 Notes were used to repay the Term Loan, Infra Loan 1 and Infra Loan 2 in addition to a prepayment penalty of approximately \$15.3 million. Subsequent to the issuance date, we have paid approximately \$2.9 million in fees for additional third-party expenses related to the closing of the 2026 Notes. The balance of the net proceeds was or will be used for working capital and other corporate purposes. Interest on the 2026 Notes will be payable semi-annually in arrears on May 15th and November 15th of each year beginning on November 15, 2022, and will mature on May 15, 2026, unless earlier redeemed or repurchased.

On or after May 15, 2023, Tacora may on any one or more occasions redeem all or a part of the 2026 Notes, upon not less than 30 nor more than 60 days' notice, at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest, if any, on the 2026 Notes redeemed, to the applicable date of redemption, if redeemed during the twelve-month period beginning on May 15 of the years indicated below, subject to the rights of holders of the 2026 Notes on the relevant record date to receive interest on the relevant interest payment date:

Year	Percentage
2023	104.125%
2023	102.063%
2025 and thereafter	100.000%

At any time prior to May 15, 2023, Tacora may, on any one or more occasions, redeem up to 40% of the aggregate principal amount of the 2026 Notes issued under the Indenture, upon not less than 30 nor more than 60 days' notice, at a redemption price equal to 108.250% of the principal amount of the 2026 Notes redeemed, plus accrued and unpaid interest, if any, to, but not including, the date of redemption (subject to the rights of holders of the 2026 Notes on the relevant record date to receive interest on the relevant interest payment date), with an amount not greater than the net cash proceeds of an equity offering by Tacora; provided, that:

- (1) at least 60% of the aggregate principal amount of the 2026 Notes originally issued under the Indenture (excluding 2026 Notes held by Tacora and its Subsidiaries) remains outstanding immediately after the occurrence of such redemption; and
- (2) the redemption occurs within 180 days of the date of the closing of such equity offering.

At any time prior to May 15, 2023, Tacora may on any one or more occasions redeem all or a part of the 2026 Notes, upon not less than 30 nor more than 60 days' notice, at a redemption price equal to 100% of the principal amount of the 2026 Notes redeemed, plus the applicable premium as of, and accrued and unpaid interest, if any, to, but not including, the date of redemption (subject to the rights of holders of 2026 Notes on the relevant record date to receive interest due on the relevant interest payment date).

The indenture governing the 2026 Notes restricts our ability to create certain liens, to enter into sale leaseback transactions and to consolidate, merge, transfer or sell all, or substantially all of our assets. It also contains provisions requiring that Tacora make an offer to purchase the 2026 Notes from holders upon a change of control under certain specified circumstances, as well as other customary provisions.

On February 16, 2022, Tacora issued an additional \$50 million aggregate principal amount of 8.250% Senior Secured Notes due 2026. Tacora received net proceeds of approximately \$45.0 million after fees of approximately \$5.0 million related to underwriting and third-party expenses. The net proceeds will be used for working capital and other corporate purposes.

Atlantic Canada Opportunity Contribution Loans

In January 2022, Tacora received an interest-free loan of C\$0.5 million from the Atlantic Canada Opportunity Agency to finance the upgrade of its mill lubrication system. Loan repayments commenced on April 1st, 2022 and will continue until March 1st, 2027. Using prevailing market interest rates for an equivalent loan of 10.5 per cent, the fair value of the loan is estimated at C\$0.4 million. The difference of C\$0.1 million between the gross proceeds and the fair value of the loan is the benefit derived from the interest-free loan and is recognized as a reduction in the carrying amount of the asset. Interest charges recognized on this loan were C\$0.03 million in 2022 and C\$0 in 2021.

In October 2022, Tacora received an interest-free loan of C\$3.3 million from the Atlantic Canada Opportunity Agency to finance the expansion of its manganese reduction circuit. Loan repayments commenced on July 1st, 2023 and will continue until June 1st, 2033. Using prevailing market interest rates for an equivalent loan of 11.75 per cent, the fair value of the loan is estimated at C\$1.8 million. The difference of C\$1.5 million between the gross proceeds and the fair value of the loan is the benefit derived from the interest-free loan and is recognized as a reduction in the carrying amount of the asset. Interest charges recognized on this loan were C\$0.03 million in 2022 and C\$0 in 2021.

Contractual obligations and commitments

In the ordinary course of business, we enter into agreements under which we are obligated to make legally enforceable future payments. These agreements include those related to borrowing money, leasing equipment and purchasing goods and services.

The table below summarizes our contractual obligations and commitments as of December 31, 2022:

(\$ in millions)	Within 1 Year	1 to 2 Years	2 to 5 Years	Over 5 Years
Accounts payable and accrued liabilities	53,703	-	-	-
Debt	19,734	18,880	253,740	1,340
Lease liabilities	12,914	12,047	12,306	-
Rehabilitation obligation	-	-	-	26,604
Total	86,351	30,927	266,046	27,944

In addition, we have entered into other material agreements, the payments of which are not included in the table above. These include:

Transportation agreement

On November 3, 2017, the Company entered into a life-of-mine transportation agreement (“QNS&L Rail Agreement”) with Québec North Shore and Labrador Railway Company, Inc. (“QNS&L”). The QNS&L Rail Agreement provides that QNS&L will carry iron ore concentrate produced at the Scully Mine on Tacora-supplied railcars between Wabush Lake Junction in Labrador City, Newfoundland and Labrador to the Sept-Iles Junction in Sept-Iles, Québec, a distance of approximately 500 km. Under the terms of the

QNS&L Rail Agreement, QNS&L has agreed, among other things, to haul minimum monthly tonnages of iron ore (and any surplus iron ore that QNS&L agrees to haul for the benefit of the Company), ensure available transportation capacity, lead and actively participate in appropriate operations management and coordination procedures between QNS&L and the Company and supply sufficient labour, locomotives, assets and infrastructure as necessary to provide the rail transportation services contemplated. The QNS&L Rail Agreement also prescribes various capacity and volume commitments on the part of each of QNS&L and the Company and sets forth specific maximum and minimum monthly tonnages of iron ore that may be tendered for transportation in any month. In the event that the Company fails to meet the minimum monthly tonnage requirements during a given month, the Company will be required to pay QNS&L, as liquidated damages, an amount equal to the deficit volume multiplied by the base rate applicable during that month and which increases over time, other than where the failure to meet such minimum tonnage is as a result of a force majeure event; and provided further that, in the event that the Company suspends production at the Scully Mine for a period of more than one calendar year, the obligation to pay any such liquidated damages will be suspended until the resumption of production.

The QNS&L Rail Agreement required the Company to provide advance payments to QNS&L totaling C\$20.0 million, of which C\$3.0 million was paid on November 10, 2017 and C\$17.0 million was paid on November 14, 2018. These advance payments are required by QNS&L to secure the locomotive equipment and infrastructure capacity to meet the Company's anticipated haulage volumes on the QNS&L rail line. The Company is recovering the advance payments from QNS&L by means of a special credit per wet metric tonne hauled.

Port access

In May 2018, the Company executed an agreement with Société ferroviaire et portuaire de Pointe-Noire s.e.c. ("SFPPN") with an effective date of June 1, 2018 and a termination date of December 31, 2044 setting out the terms on which SFPPN will grant the Company guaranteed access to SFPPN's equipment, throughput and storage capacity necessary to transport iron ore to the port infrastructure. Under the SFPPN Agreement, the Company is required to contribute, to certain capital expenditures up to an aggregate amount of C\$48.9 million, inclusive of C\$10 million which was paid in 2018. Capital expenditures totaling C\$26.9 were paid between 2019 to 2021, C\$6.3 million was paid in 2022 and the balance of C\$5.7 million will be paid in equal monthly payments from April 2023 to March 2024. The capital expenditures will allow SFPPN to enhance the current existing infrastructure required for the Company's guaranteed access to SFPPN's facilities, which include railway and Wabush Yard infrastructure. The SFPPN Agreement contains customary default clauses, which include if the Company ceases the operations of the Scully Mine for a continuous period of more than twelve months and does not provide SFPPN with a date for the resumption of operations that is within the following twelve months.

The C\$48.9 million that the Company is required to contribute to SFPPN for certain capital expenditures is and will be classified as an intangible asset on the consolidated balance sheet and amortized. There may be other expenditures that the Company is required to make that the Company will classify in this regard. Amortization of these costs are recorded through cost of sales.

The Company has executed an assignment of contractual rights agreement pursuant to which New Millennium Iron Corp. ("NML") will assign to the Company 6.5 million metric tonnes of NML's port capacity with the Sept-Iles Port Authority (the "Port Authority") in exchange for an upfront payment in the amount of C\$4.0 million payable on the closing date of the assignment and an ongoing fee of C\$0.10 per tonne of iron ore shipped by the Company through the port facilities pursuant to a contract to be entered into directly with the Port Authority over a 20-year period following the assignment. The Company recognizes the benefit of the prepayment based on tonnes shipped as a reduction of cost of goods sold. In connection with the assignment, the Company has assumed part of NML's "take or pay" obligations related to the assigned 6.5 million metric tonnes of port capacity. The portion of the "take or pay" obligation that was payable to NML prior to the Company shipping ore from the port was added to the upfront payment amount. The upfront payment entitles the Company to a discount of C\$0.25 per tonne shipped until the upfront payment is recovered by the Company. The Company, NML and the Port

Authority have entered into an agreement whereby the Port Authority consented to the assignment of capacity and agreed to enter into a direct agreement with the Company in respect of the 6.5 million metric tonnes of port capacity assigned by NML to the Company on terms substantially similar to those contained in the existing agreement between NML and the Port Authority. This agreement will provide the Company with direct access to port facilities that are capable of loading cape-size vessels, which are larger and more cost efficient than smaller baby-cape and Panamax alternatives. All port agreements between NML, the Port Authority and Tacora in respect of the assigned capacity were fully executed and complete as of December 31, 2018.

Mining lease

Tacora is party to the Mining Lease pursuant to which Tacora was granted the exclusive contractual right to explore, investigate, develop, produce, extract, remove by open pit or other method of mining, smelt, reduce and otherwise process, make merchantable, store, sell and ship all iron ore products from a mine on a parcel of land located near Wabush, Newfoundland and Labrador on which the Scully Mine is located. The Mining Lease is effective for a term extending to and including May 20, 2055; however, the Mining Lease may be cancelled by Tacora generally on six months' written notice.

At the commencement of shipping iron ore products, Tacora is required to pay an earned royalty fee per metric tonne ranging from 4.2% to 7.0% of Net Revenues less certain deductible expenses, in accordance with the calculation as defined in the Mining Lease. To the extent that Tacora has not commenced or ceases the shipping of iron ore products and the sum of the earned royalty fee in a given calendar quarter is less than C\$0.8 million, Tacora is required to pay a minimum quarterly royalty of C\$0.8 million (of which 20 percent is withheld and remitted to the Province of Newfoundland and Labrador). Any amount which Tacora shall pay the lessor related to minimum quarterly royalty payments, other than in payment of earned royalties, shall be recoverable against earned royalties in the same calendar year.

Royalties paid in the years ended December 31, 2022 and 2021 were approximately \$22.6 million and \$36.1 million, respectively. Accrued royalties in the amount of \$5.7 million and \$6.2 million were recorded in other accrued expenses at December 31, 2022 and December 31, 2021, respectively.

See Note 19 to the Company's audited consolidated financial statements for Fiscal 2022 for further information regarding the Company's commitments and contingencies.

Liquidity and capital resources

As of December 31, 2022, our cash and cash equivalents totaled \$6.9 million. Our total cash balance represents an 80.4% decrease from the balance as of December 31, 2021. This decrease was driven primarily by our decrease in gross profit as discussed above.

As of December 31, 2022, the outstanding principal amount of our long-term debt was approximately \$214.1 million.

Going Concern

The Company has a net operating loss and cash outflows from operations for the twelve months ended December 31, 2022 due to a reduction in iron ore prices and a slower than expected ramp-up of the Scully Mine. Based on the Company's projected cash flows, the Company does not have sufficient cash on hand or available liquidity to sustain its operations and meet its obligations as they become due for twelve months following the date the consolidated financial statements are issued. These conditions and events raise substantial doubt about the Company's ability to continue as a going concern.

The Company continues to advance certain strategic alternatives to secure additional outside capital to ensure that Company has sufficiently liquidity and a sustainable capital structure to meet all obligations

due over the next twelve months. These initiatives may include, among others, the sale of certain of the Company's assets or a sale of additional equity of the Company to strategic or financial investors.

No assurance can be given that any of the contemplated strategic initiatives will be successfully completed. As a result, we have concluded that, there is substantial doubt about our ability to continue as a going concern. The consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might result from the outcome of this uncertainty.

Off balance sheet arrangements

We currently are not a party to any material off balance sheet arrangements.

Industry data, forecasts and units of measure

This report contains industry data and forecasts that we obtained from industry publications and surveys, public filings and internal company sources. Industry publications, surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of included information. We have not independently verified any of the data from third-party sources, nor have we ascertained the underlying economic assumptions relied upon therein. While we are not aware of any misstatements regarding our industry data presented herein, our estimates involve risks and uncertainties and are subject to change based on various factors, including those discussed in the "Risk Factors" section of this MD&A. We cannot guarantee the accuracy or completeness of such information contained in this MD&A.

Unless otherwise specifically noted, we use SI units (metric), specifically dry tonnes, dmt or DMT, when referring to tonnage. This is a departure from conventional iron ore units which use a relatively unique basis for tonnage identified as a LT or long ton. As such, comparison of unit costs and production figures may not be comparable with those of other competing iron ore producers. Additionally, the contractual requirements for some of our off-take agreements are denominated in wet metric tonnes. For consistency of presentation, in our discussion of these contractual requirements, we have expressed them as DMT based on an assumed 1.6% moisture factor in our concentrate.

Risks

Commodity price risk

Tacora has agreed to sell all of its production of iron ore concentrate to one counterparty, Cargill International Trading Pte Ltd. ("Cargill") pursuant to an offtake agreement with a term expiring December 31, 2024, with rolling options to extend the term for the life of the Scully Mine at Cargill's sole discretion. Cargill is selling the Tacora product into the global seaborne iron ore market at prevailing market prices (priced in United States dollars) and incurring dry bulk freight costs to deliver the product to its intended destination at prevailing market freight rates. Accordingly, Tacora will be exposed to fluctuations in iron ore market prices and dry bulk freight costs related to iron ore sales. Price decreases in the iron ore commodity market and/or cost increases for dry bulk freight rates could negatively affect revenue and therefore earnings.

Tacora believes commodity price hedging could provide a long-term benefit to shareholders. Therefore, Tacora may hedge certain commitments in the future with an emphasis on mitigating commodity price risk during the ramp up of the Scully Mine.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. In the future, Tacora may be exposed to credit risk from its customer receivables and from its financing activities, including deposits with banks and financial institutions, financial

assurance deposit, other short-term investments, interest rate and currency derivative contracts and other financial instruments.

Liquidity and capital risk management

Tacora's primary objective when managing capital is to safeguard the business as a going concern while maximizing returns for shareholders. In a cyclical and capital-intensive industry, such as the mining industry, maintaining a strong balance sheet and a sound financial risk management framework are desirable to preserve financial flexibility and generate shareholder value through the cycle. In practice, this involves regular reviews by the board of directors and senior management of Tacora. These reviews take into account Tacora's strategic priorities, economic and business conditions and opportunities that are identified to invest across all points of the commodities cycle and focus on shareholder return while also striving to maintain a strong balance sheet.

Related party transactions

Key management compensation

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Company's key management for Fiscal 2022 were its Chief Executive Officer, Executive Vice President, and Chief Financial Officer. The remuneration for the Company's key management during Fiscal 2022 was \$1.6 million consisting of \$1.5 million in salaries and \$0.1 million in deferred compensation and other benefits.

Cargill

As a result of the \$15 million preferred share investment described in Note 25, Cargill is a related party as of December 31, 2022. Further described in Note 4, Cargill is Tacora's single customer of iron ore and 100% of revenue for the year and trade receivables (see Note 6) as of December 31, 2022 are attributable to Cargill. Commitments and guarantees with Cargill are described in Note 4. As of December 31, 2022, Tacora held no collateral on deposit related to its fixed price agreement with Cargill. No bad debt expense for the year, or bad debt provision as of December 31, 2022, exists related to Cargill receivables.

Outstanding share data

The Company may authorise an unlimited number of common shares, without par value ("Common Shares") and an unlimited number of Class A Non-Voting Shares and Class B Non-Voting shares. As of the date of this MD&A, the Company had authorised 235,700,480 Common Shares, 3,300,000 Class A Non-Voting Shares and 3,300,000 Class B Non-Voting Shares and as of December 31, 2022 had 235,700,408 Common Shares, 2,739,000 Class A Non-Voting Shares, and 1,080,750, Class B Non-Voting Shares issued and outstanding. As of December 31, 2022, the Company had 4,720,500 employee stock options outstanding.

Critical accounting estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience, consultation with experts and other methods management considers reasonable in the particular circumstances. Actual results may differ from these estimates.

The accounting policies discussed below are considered by management to be critical to an understanding of Tacora's financial statements as their application places the most significant demands on management's judgment.

Mineral reserves and resources

Estimates of the quantities of proven and probable mineral reserves and measured, indicated and inferred mineral resources form the basis for our life of mine plans, which are used for a number of important business and accounting purposes, including our impairment analysis. Mineral reserves and resources are based on engineering data, estimated future prices, estimated future capital spending and estimated future production rates. We estimate our iron ore mineral reserves and resources based on information compiled by “qualified persons” as defined in accordance with the requirements of NI 43-101. These life of mine plans also include assumptions about our ability to obtain and renew our mining and operating permits. Tacora expects that, over time, its mineral reserves and resources estimates will be revised upward or downward based on updated information such as the results of future drilling, testing and production levels, and may be affected by changes in iron ore prices.

Scully Mine

We use our mineral reserve estimates, combined with our estimated annual production levels, to determine the mine closure dates utilized in recording the fair value liability for asset retirement obligations for the Scully Mine, and assess whether there are any indicators of potential impairment of our long lived assets.

The Mineral Reserve for the Scully Mine is estimated with an effective date of January 1, 2021 at 478.9 Mt at an average grade of 34.9% Fe and 2.62% Mn as summarized in the table below. The Mineral Reserve estimate was prepared by GMS. The resource block model was also generated by GMS.

As determined by GMS, the mine design and Mineral Reserve estimate have been completed to a level appropriate for feasibility studies and the Mineral Reserve estimate stated herein is consistent with the CIM definitions and is suitable for public reporting. As such, the Mineral Reserves are based on Measured and Indicated Mineral Resources (“M&I”), and do not include any Inferred Mineral Resources. The Inferred Mineral Resources contained within the mine design are treated as waste. The M&I are inclusive of the Mineral Resources modified to calculate the Mineral Reserves.

Classification	Crude Ore	Fe	Mn	Concentrate	Fe	Mn	SiO ₂	Total	Total Fe
	Tonnage								
	(dry)	%	%	Tonnage	%	%	%	%	%
	k dmt			k dmt					
Proven	136,508	34.97	2.35	45,478	65.60	1.53	3.22	33.32	62.49
Probable	341,439	34.85	2.72	113,577	65.60	1.63	3.06	33.26	62.62
Total P&P	478,943	34.89	2.62	159,425	65.60	1.61	3.11	33.29	62.59

Notes:

- (1) The Mineral Reserves were estimated using the CIM Standards for Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council May 10th, 2014.
- (2) Mineral Reserves based on December 2020 depletion surface merged with an updated Lidar dated September 2017.
- (3) Mineral Reserves are estimated at a minimum of 20% Lab weight recovery for all sub-units except sub-unit 52 which is 30%. In addition, sub-unit 34 must have a ratio of weight recovery to iron of at least 1.
- (4) Mineral Reserves are estimated using a long-term iron price reference price (Platt's 62)% of USD 70/dmt and an exchange rate of 1.25 CAD/USD. An Fe concentrate price adjustment of USD 12/dmt was added as an iron grade premium net of a USD 5/dmt marketing charge.
- (5) Bulk density of ore is variable but averages 3.20 t/m³.
- (6) The average strip ratio is 0.82:1.
- (7) The Mineral Reserve includes a 5.2% mining dilution and a 97% ore recovery.
- (8) The number of metric tonnes was rounded to the nearest thousand. Any discrepancies in the totals are due to rounding effects; rounding followed the recommendations in NI 43-101.

Depletion

The table below summarizes the actual production tonnages mined and concentrate produced at the Scully Mine through December 31, 2022.

Time Period	Crude Ore Tonnage (dry)	Fe	Mn	Conc. Tonnage	Fe Conc.	Mn Conc.	SiO ₂ Conc.	Total Weight Recovery	Total Fe Recovery
	k dmt	%	%	k dmt	%	%	%	%	%
Start-up through December 31, 2019	3,491	34.98	3.18	936	65.70	1.72	2.71	26.80	50.33
Year ended December 31, 2020	10,469	34.73	3.42	3,009	65.51	1.93	2.66	28.74	54.21
Year ended December 31, 2021	10,758	37.80	3.30	3,182	65.70	1.80	2.39	29.60	51.40
Year ended December 31, 2022	10,114	36.10	3.40	3,112	65.40	1.84	2.63	30.80	55.90

Sydvaranger Mine

The Mineral Reserve for the Sydvaranger Mine is estimated at 171.4 Mt at an average grade of 28.1% FeMag and 0.06% MIS as summarized in the table below. The Mineral Reserve estimate was prepared by AMC Consultants (UK) Limited ("AMC"). The resource block model was generated by Baker Geological Services Ltd.

As determined by AMC, the mine design and Mineral Reserve estimate have been completed to a level appropriate for feasibility studies and the Mineral Reserve estimate stated herein is consistent with the CIM definitions. As such, the Mineral Reserves are based on Measured and Indicated Mineral Resources ("M&I"), and do not include any Inferred Mineral Resources. The Inferred Mineral Resources contained within the mine design are treated as waste. The M&I are inclusive of the Mineral Resources modified to calculate the Mineral Reserves.

Classification	Crude Ore Tonnage (dry)	Fe	MIS	Concentrate Tonnage	Fe Conc.	MIS Conc.	SiO ₂ Conc.	Total Weight Recovery	Total Fe Recovery
	k dmt	%	%	k dmt	%	%	%	%	%
Proven	23,400	30.3	0.01	45,478	65.60	1.53	3.22	33.32	62.49
Probable	148,000	27.80	0.07	113,577	65.60	1.63	3.06	33.26	62.62
Total P&P	171,400	28.1	0.06	159,425	65.60	1.61	3.11	33.29	62.59

Notes:

- (1) Mineral Reserves have been estimated in accordance with the CIM Definition Standards.
- (2) Mineral Reserves are based on a cut-off grade of 7% FeMAG.

- (3) Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability.
- (4) There is 11.6 Mt of material with an MIS grade >0.2% which has been included in the Reserves Estimate.
- (5) Mineral Reserves are estimated at an average long-term iron concentrate price of USD67/t concentrate, at a grade of 68% FeMAG.
- (6) Mineral Reserves are reported effective 1 October 2019.
- (8) Rounding of some figures might lead to minor discrepancies in totals.

Environmental rehabilitation

Decommissioning and restoration costs are a normal consequence of mining. The majority of these expenditures are incurred at the end of the mine's life. In determining the provision, consideration is given to the future costs to be incurred, the timing of these future costs, and estimated cost of inflation. The cost of decommissioning and restoration is uncertain and can vary in response to many factors including changes to the relevant legal and regulatory requirements. The expected timing of expenditures can change in response to changes in the life of mine. These estimates are reviewed annually and adjusted where necessary to ensure that the most current data is used.

Significant accounting policies

The Company's significant accounting policies used to prepare the Company's financial statements as of and for the period ended December 31, 2022 are included in Note 2 of the audited consolidated financial statements included elsewhere in this MD&A.

Subsequent events

Advance Payment Facility Agreement

On January 3, 2023, the Company entered into an Advance Payments Facility Agreement (the "APFA") with Cargill. The purpose of the agreement is to provide the Company with up to \$35 million in advance payment in exchange for future deliveries of iron ore to Cargill. The agreement includes an offsetting \$15 million floor price premium to be advanced from the Company to Cargill as consideration for guaranteeing a floor price on iron ore; resulting in a net potential advance payment of \$20 million. The agreement termination date is May 1, 2023, and thus contract covenants, representations and warranties must be satisfied by this date to avoid default. As part of the agreement, the Company shall use its best reasonable efforts to deliver a minimum of 55,000 DMT of iron ore over each four-week period from inception of the contract. After May 1, 2023, all outstanding advance amounts that have not been offset by the price of iron ore supplied to Cargill shall be repaid to Cargill.

The advanced payment agreement includes covenants, including (a) use of advance payment proceeds solely for funding ongoing operations at Wabush Scully mine and processing plant and general corporate expenses, (b) adherence to liquidity management, operational turnaround, and restructuring plans as defined between the Company and Cargill (and at Cargill's acceptance), and (c) the Company shall not issue new equity or debt/liens unless explicitly agreed to within the advanced payment agreement.

The advanced payment agreement also includes penny warrants issued to Cargill as additional consideration. The warrants are exercisable into Common Shares, representing a 10% equity ownership in the Company on a fully-diluted basis and immediately exercisable for a two-year period and expiring on the January 5, 2025. The Company is unable to determine the fair value of the penny warrants.

On January 10, 2023, the Company received net \$10 million of the advance payment from Cargill (the "initial advance"). On February 24, 2023, the Company received an additional \$5 million under the advance payment agreement (the "subsequent advance"). As of the issuance of this report, the Company is in compliance with all provisions within the advance payment agreement.

QNS&L

On January 9, 2023, the Company amended the QNS&L Rail Agreement (see Note 12) to:

- 1) adjust the minimum and maximum monthly tonnage requirements downward
- 2) adjust the iron ore price premium per ton downward
- 3) provide additional penalties to QNS&L for failure to meet minimum tonnage requirements (the “QNS&L Rail Amendment”);

In exchange, the Company issued QNS&L non-dilutive Common Share purchase warrants at an exercise price of \$0.01/share (i.e. penny warrants) representing a 2.5% equity ownership in the Company on a fully-diluted basis. The Company is unable to determine the fair value of the penny warrants under the amendment. The QNS&L Rail Amendment expires on December 31, 2024.

Employee Stock Option Plan

On January 18, 2023, the Company replaced the existing employee stock option plan with an amended and restated stock option plan. The option plan represents a non-dilutive 7.5% equity ownership in the Company on a fully-diluted basis with an option exercise of \$0.01/share.

Sydvaranger

On February 24, 2023, Tacora completed the transfer of Sydvaranger and its subsidiaries to Orion Mine Finance, a financial partner involved in the project since 2018. The transfer was structured as a cash-free transfer and resulted in no gain or loss to the Company as the Sydvaranger Mine was previously classified under discontinued operations as of 12/31/2022, and was written down to its fair value at that time.

Advance Payment Facility Agreement Amendment

On April 29, 2023, the Company entered into the APF Amendment which amends certain terms under the APF Agreement including, among others, extending the termination date for the repayment of all outstanding advances made by Cargill under the APF Agreement from May 1, 2023 to June 14, 2023, and which can further be extended to July 14, 2023 subject to the satisfaction of certain conditions. In connection with and as a condition to Cargill’s entry into the APF Amendment, the Company issued to Cargill penny warrants exercisable for up to 25% of the Common Shares of the Company on a fully diluted basis.

Senior Secured Priority Notes

On May 11, 2023, the Company completed a consent solicitation process to effect certain amendments to the indenture governing the existing 2026 Notes. In addition, the Company completed the sale of \$27 million aggregate principal amount of its 9.0% Cash / 4.0% PIK Senior Secured Priority Notes due 2023 (the “Senior Secured Priority Notes”). In connection with the transaction, Tacora issued penny warrants exercisable for a two-year period into voting common shares of Tacora to the certain of the Senior Priority Noteholders which in aggregate are exercisable for approximately 31.6% of the voting common shares of Tacora on a fully diluted basis.

Restated and Amended Advance Payment Facility Agreement

On May 29, 2023, the Company entered into the Amended and Restated Advance Payments Facility (the A&R APF Agreement”) which amends certain terms under the existing APF Agreement amendment in order to provide for a \$25 million senior hedging facility (the “Margining Facility”) to be made available by Cargill that allows for the Company to incur certain margin amounts owing by the Company under the Offtake Agreement to be deemed as advances by Cargill in favor of the Company.

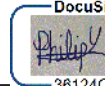
EXHIBIT "F"

referred to in the Affidavit of

JOE BROKING

Sworn October 9, 2023

DocuSigned by:

A DocuSign signature block showing a handwritten signature in blue ink that reads "Philip Yang". The signature is contained within a blue rounded rectangular border.

36124C4218DD47C...

Commissioner for Taking Affidavits
Philip Yang

Tacora Resources Inc. and Subsidiaries

Consolidated Monthly Report

For the month ended July 31, 2023

(unaudited)



Tacora Resources Inc.	Jul 31,	Jun 30,		Jul 31,	Variance to
Balance Sheet	2023	2023		2023	Budget
(Expressed in thousands of US dollars)	USD\$	USD\$	Monthly Change	Budget - USD\$	USD\$
Current assets					
Cash and Cash Equivalents	12,466	5,746	6,720	(17,986)	30,452
Restricted Cash, Escrow	117	117	0	114	3
Receivables	8,303	2,688	5,615	5,787	2,516
Inventories	46,684	45,573	1,111	26,144	20,540
Prepaid Exp. and Other Curr. Assets	10,650	12,067	(1,417)	5,220	5,430
Current Assets Total	78,220	66,191	12,029	19,279	58,941
Non-current assets					
Mining Prop, Land, Plant & Equip, Net	223,286	223,487	(201)	230,072	(6,786)
Port Prepayments	46,024	47,217	(1,193)	42,175	3,849
Transportation Deposits	4,336	4,336	0	4,140	196
Security Deposits	2,658	2,658	0	2,658	0
Financial Assurance Deposit	6,142	6,142	0	5,912	230
Non-Current Assets Total	282,446	283,840	(1,394)	284,957	(2,511)
Assets Total	360,666	350,031	10,635	304,236	56,430
Current liabilities					
Accounts Payable	36,989	38,376	(1,387)	26,481	10,508
Accrued Liabilities	79,984	65,727	14,257	20,062	59,922
Current Liabilities Total	116,973	104,103	12,870	46,543	70,430
Non-current liabilities					
Long-Term Debt, Net	239,765	237,553	2,211	212,499	27,265
Lease Liabilities	29,041	29,731	(690)	29,041	0
Preferred Shares	13,125	13,125	0	0	13,125
Deferred Tax Liability	0	0	0	(82,058)	82,058
Rehabilitation Obligation	28,641	28,641	0	28,101	540
Non-Current Liabilities Total	310,572	309,050	1,521	187,583	122,988
Liabilities Total	427,545	413,153	14,391	234,126	193,418
Net Assets (Liabilities)	(66,879)	(63,122)	(3,756)	70,110	(136,988)
Shareholder's equity					
Capital Stock	263,285	263,285	0	283,350	(20,065)
Accumulated deficit	(271,597)	(271,597)	0	(204,323)	(67,274)
Net Income	(58,819)	(55,062)	(3,756)	(9,086)	(49,732)
Non-Controlling Interests	252	252	0	169	83
Equity Total	(66,879)	(63,122)	(3,756)	70,110	(136,988)

Tacora Resources Inc. Interim Consolidated Statement of Income or Loss (Expressed in thousands of US dollars)	MTD Jul-23 Actual	MTD Jul-23 Budget	YTD Jul-23 Actual	YTD Jul-23 Budget
Revenues	31,387	36,386	166,875	204,037
Cost of Sales	26,542	27,666	175,979	182,110
Depreciation and Amortization	2,129	1,996	15,987	13,649
Gross (Loss) Profit	2,716	6,724	(25,091)	8,278
Other Expenses				
General and Administrative Expenses	1,372	698	13,519	5,030
Sustainability and Other Community Expenses	45	114	366	1,338
Depreciation	10	0	57	0
Operating (Loss) Income	1,289	5,912	(39,033)	1,910
Other Income/(Expense)				
Other Income/(Expense)	(304)	0	(3,008)	0
Unwinding of present value discount: asset retirement obligation	0	0	(363)	0
Loss on fair value of disposal group	0	0	(460)	0
Gain on financial instrument	0	0	1,500	0
Interest Expense	(3,029)	(2,080)	(16,485)	(14,732)
Interest Income	40	0	378	0
NALCO Tax	(52)	0	(323)	0
Net Gain (Loss) on FX	(315)	0	(895)	(88)
Total Other Expense	(3,660)	(2,080)	(19,656)	(14,820)
Gain (Loss) Before Income Taxes	(2,371)	3,832	(58,689)	(12,910)
Income Tax	10	1,135	130	(3,824)
Consolidated Net Income (Loss)	(2,381)	2,697	(58,819)	(9,086)
<i>Adjustments to calculate Consolidated EBITDA:</i>				
Interest Expense	3,029	2,080	16,485	14,732
Income Tax	10	1,135	130	(3,824)
Depreciation and Amortization	2,139	1,996	16,044	13,649
Net (Gain) Loss on Fixed Asset Disposals	(11)	0	2,288	0
Loss on fair value of disposal group	0	0	460	0
Net (Gain) Loss on FX	315	0	895	88
Consolidated EBITDA	3,101	7,908	(22,517)	15,559
<i>Adjustments to calculate Adjusted Consolidated EBITDA:</i>				
Interest Income	(40)	0	(378)	0
NALCO Tax	52	0	323	0
Gain on financial instrument	0	0	(1,500)	0
Floor Price Protection Amortization	0	0	15,000	0
Other (Income) / Expense	315	0	1,083	0
Adjusted Consolidated EBITDA	3,428	7,908	(7,989)	15,559

① The blended selling price of the 304,265 tonnes sold was \$103.16, which was increased by \$1.83 attributed to MTM margin calls, compared to the budgeted 366,149 tonnes at a selling price of \$95.61. See Revenue Analysis schedule for more details.

② MTD budget cash cost per tonne sold was \$71.77 vs actual of \$87.23.

③ PIP cost \$0.5 million in July and \$6.7 million July YTD not included in budget

④ We are not currently recording provisions for tax expense due to our large tax loss carryforward from previous years

Tacora Resources Inc.
Statement of Cash Flow

(Expressed in thousands of US dollars)

Seven Month Ended

July 31, 2023

USD\$

Cash Flows from operating activities

Net income	(58,819)
Less net income attributable to non-controlling interest	83
Adjustments to reconcile net loss to net cash provided by operating activities:	
Depreciation	14,742
Amortization of intangible asset	1,125
Amortization of floor price premium	15,000
Translation loss	(132)
Change in fair value of long-term borrowings	2,165
Accretion of debt interest	241
Gain on financial instrument	(1,500)
Interest accretion of asset retirement obligation	363
Loss on disposal of property and equipment	2,310
Changes in operating assets and liabilities:	
Trade accounts receivable	594
Inventory	(12,941)
Prepaid expenses and other	(8,910)
Accounts payable	12,441
Accrued liabilities	24,288

Net cash outflow from operating activities (8,950)

Cash Flows from investing activities

Purchases of mining properties, land, plant & equipment	(17,173)
Port prepayments	(1,319)
Transportation capacity deposit	(116)

Net cash outflow from investing activities (18,608)

Cash Flows from financing activities

Proceeds from advanced payment facility	15,000
Proceeds from long-term borrowings	27,185
Issuance costs from long-term borrowings	(2,868)
Principal payments on long-term borrowings	(5,959)
Knoll Lake distributions to non-controlling interest	(65)

Net cash inflow from financing activities 33,293

Net increase in cash 5,735

Cash

Beginning	6,848
Ending	12,583

Tacora Resources Inc.
July Revenue Analysis

(Expressed in thousands of US dollars)

	Tonnage (DMT)	USD\$
Port Sales		
Unloaded from Train	304,265	28,054
Loaded onto Vessel	168,092	16,593
Net Port Sales	472,357	44,647
Vessel Sales		
Loaded onto Vessel	(168,092)	(14,378)
Mark to Market		556
Final Pricing Adjustments		1,455
Demurrage		(13)
Other		(880)
Total Revenue		31,387

Tacora Resources Inc.
Last Ten Finalized Sales
1. Shipment Details

Date (BOL)	5-Sep	20-Sep	25-Oct	29-Nov	6-Nov	22-Jan	17-Feb	13-Feb	8-Mar	20-Mar
QP Month	December	December	January	February	February	April	May	May	June	June
Destination Country	Ijmuiden	Bahrain	Bahrain	China	China	China	Bahrain	Ijmuiden	China	China
Title Transfer Country	Canada	Canada	Canada	China	China	China	Canada	Canada	China	China
Sales Basis	MB 65%	MB 65%	MB 65%	PL 65%	PL 65%	PL 65%	MB 65%	MB 65%	PL 65%	PL 65%
Sales Basis Premium/(Discount)	(3.00)	(3.00)	1.20	4.50	0.05	(4.00)	1.20	(4.00)	0.05	(3.00)
Contract Number	1066	1067	1068	1070	1069	1072	1074	1073	1075	1076

2. Shipment Quality
Loading Port

Tonnage (WMT)	152,989	174,127	175,510	173,069	199,029	172,250	166,483	78,692	168,363	169,712
Tonnage (DMT)	149,776	170,644	171,824	169,261	195,446	167,772	162,487	77,276	166,679	166,997
Fe	65.29%	65.34%	65.46%	65.48%	65.24%	65.59%	65.89%	65.63%	65.26%	65.49%
SiO2	2.91%	2.73%	2.52%	2.86%	2.99%	2.79%	2.64%	2.49%	2.98%	2.79%
Al2O3	0.15%	0.18%	0.18%	0.16%	0.18%	0.16%	0.16%	0.15%	0.16%	0.16%
Mn	1.86%	1.90%	1.91%	1.72%	1.84%	1.67%	1.58%	1.86%	1.85%	1.89%
Moisture	2.10%	2.00%	2.10%	2.20%	1.80%	2.60%	2.40%	1.80%	1.00%	1.60%

Discharge Port

Tonnage (WMT)	152,989	174,130	175,456	172,816	199,798	172,250	166,406	N/A	167,669	169,596
Tonnage (DMT)	149,776	170,630	171,754	169,705	195,822	167,944	162,396	N/A	166,277	167,052
Fe	65.29%	65.41%	65.48%	65.20%	65.31%	65.81%	65.91%	N/A	65.46%	65.21%
SiO2	2.91%	2.73%	2.51%	3.05%	3.02%	2.71%	2.61%	N/A	2.82%	2.73%
Al2O3	0.15%	0.19%	0.18%	0.11%	0.20%	0.22%	0.16%	N/A	0.10%	0.25%
Mn	1.86%	N/A	N/A	1.54%	1.73%	N/A	N/A	N/A	1.78%	N/A
Moisture	2.10%	2.01%	2.11%	1.80%	1.99%	2.50%	2.41%	N/A	0.83%	1.50%

3. Sales Price (USD/DMT)

Month of Sale	Aug-22	Q3 2022	Q4 2022	Jan-23	Dec-22	Mar-23	Q1 2023	Jan-23	Apr-23	May-23
65% Price	117.53	115.83	111.39	137.03	123.62	142.03	140.33	137.48	130.79	118.28
Sales Price without Freight Adjustment	94.01	119.67	113.52	133.98	124.71	139.80	143.74	116.99	132.22	115.66
Sales Spec Adjustment	-	-	-	-	-	-	-	-	-	-
Sales Freight Adjustment	-	-	-	-	(0.34)	0.46	0.00	-	-	0.39
Final Sales Price	94.01	119.67	113.52	133.98	124.37	140.26	143.74	116.99	132.22	116.05

4. Profit Share (USD/DMT)

Final Sales Price	94.01	119.67	113.52	133.98	124.37	140.26	143.74	116.99	132.22	116.05
Base Index - P62	104.76	103.31	99.00	123.04	111.28	127.06	125.51	99.56	116.14	105.07
FOB Impact	26.19	-	-	-	-	-	-	-	-	-
Freight Impact	-	(1.81)	(6.88)	(0.05)	(0.61)	6.98	-	-	3.95	0.09
Total Profit Share	15.44	18.17	21.41	10.99	13.71	6.23	18.23	17.43	12.13	10.88
Tacora Profit Share	10.83	12.88	15.30	7.49	9.53	4.19	12.93	12.32	8.34	7.41
Cargill Profit Share	4.61	5.29	6.10	3.50	4.18	2.04	5.31	5.11	3.78	3.47

5. Purchase Price (USD/DMT)

Purchase Index - P62	123.69	114.93	96.43	124.97	96.50	116.14	105.07	105.07	112.57	112.57
Freight Cost	26.19	26.04	27.31	23.21	26.77	23.10	23.05	23.81	21.32	24.14
Tacora Portion of Profit Share	10.83	12.88	15.30	7.49	9.53	4.19	12.93	12.32	8.34	7.41
Final Invoice Price	108.33	101.77	84.42	109.25	79.26	97.23	94.95	93.58	99.59	95.84
Demurrage	(0.15)	(0.04)	(2.36)	(0.00)	0.01	(0.07)	(2.30)	(4.43)	(6.56)	(0.98)
Shifting Costs	-	-	(0.48)	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Net Realized Selling Price	108.18	101.73	81.58	109.25	79.27	97.16	92.65	89.15	93.04	94.86

6. Profit Share Realization

Total Profit Share	15.44	18.17	21.41	10.99	13.71	6.23	18.23	17.43	12.13	10.88
65% Fe Premium	12.78	12.52	12.39	13.99	12.34	14.97	14.82	37.92	14.65	13.21
Difference	2.66	5.65	9.01	(3.00)	1.36	(8.74)	3.41	(20.49)	(2.52)	(2.33)
Realized Ratio	121%	145%	173%	79%	111%	42%	123%	46%	83%	82%

Tacora Resources Inc. Operating Cost Variance Analysis (Expressed in thousands of US dollars)				Produced	Produced	Produced	%
	Actual	Budget	Variance F/(U)	Cost/Tonne	Cost/Tonne	Cost/Tonne	Variance F/(U)
	Jul-23	Jul-23	Jul-23	Jul-23	Jul-23	Jul-23	Jul-23
Total material moved (excluding rehandle) (Mt)	1,770,998	2,181,816	(410,818)				(19%)
Total material moved (including rehandle) (Mt)	2,513,354	2,618,179	(104,825)				(4%)
Production (DMT)	310,455	366,149	(55,694)				(15%)
Rail shipments invoiced to Cargill (DMT)	304,265	366,149	(61,884)				(17%)
Vessel shipments to Cargill (DMT)	168,092	350,000	(181,908)				(52%)
Ending concentrate inventory (DMT)	21,667	-	21,667				-
MINING OPEX							
Variable operating costs							
Maintenance costs	1,425	1,191	(235)	4.59	3.25	(1.34)	(20%) ①
Explosives	284	605	321	0.91	1.65	0.74	53% ②
Energy cost - fuel	842	1,034	193	2.71	2.83	0.11	19% ③
Energy cost - electricity	-	-	-	-	-	-	-
Mining OPEX Variable Subtotal	2,551	2,830	279	8.22	7.73	(0.49)	10%
Fixed operating costs							
Direct labor costs	2,114	2,382	268	6.81	6.51	(0.30)	11% ④
Computer software/licenses	23	17	(6)	0.07	0.05	(0.03)	(37%)
External consultants/contractors	825	501	(325)	2.66	1.37	(1.29)	(65%) ⑤
Auxiliary fleet & equipment rental (operations)	135	35	(101)	0.44	0.09	(0.34)	(290%) ⑥
Environmental	22	88	66	0.07	0.24	0.17	75%
Mining OPEX Fixed Subtotal	3,119	3,022	(97)	10.05	8.25	(1.79)	(3%)
MINING OPEX Total	5,670	5,853	183	18.26	15.98	(2.28)	3%
MINING OPEX Total / Total Material Moved				3.20	2.68	(0.52)	(19%)
PROCESS PLANT OPEX							
Variable operating costs							
Maintenance costs	2,346	1,788	(558)	7.56	4.88	(2.67)	(31%) ⑦
Energy cost - electricity	602	482	(121)	1.94	1.32	(0.62)	(25%) ⑧
Energy cost - bunker C	1,190	1,760	570	3.83	4.81	0.97	32% ⑨
Process Plant OPEX Variable Subtotal	4,139	4,030	(109)	13.33	11.01	(2.33)	(3%)
Fixed operating costs							
Direct labor costs	2,503	2,681	177	8.06	7.32	(0.74)	7% ⑩
External consultants/contractors	2,805	1,421	(1,384)	9.04	3.88	(5.15)	(97%) ⑪
Auxiliary fleet & equipment rental (operations)	114	82	(32)	0.37	0.22	(0.14)	(39%)
Environmental	13	7	(6)	0.04	0.02	(0.02)	(88%)
Dust emission mitigation measures and restoration	-	-	-	-	-	-	-
Process Plant OPEX Fixed Subtotal	5,435	4,191	(1,244)	17.51	11.45	(6.06)	(30%)
PROCESS PLANT OPEX Total	9,574	8,220	(1,353)	30.84	22.45	(8.39)	(16%)
CONCENTRATE TRANSPORT & PORT COSTS							
Concentrate transport costs	4,467	5,452	985	14.39	14.89	0.50	18% ⑫
Concentrate port costs	3,298	3,449	150	10.62	9.42	(1.21)	4% ⑬
Railcar maintenance	(6)	212	218	(0.02)	0.58	0.60	103% ⑭
CONCENTRATE TRANSPORT & PORT COSTS Total	7,759	9,112	1,353	24.99	24.89	(0.11)	15%
GENERAL AND ADMINISTRATION OPEX							
Salaried wages and benefits	519	552	33	1.67	1.51	(0.16)	6%
Insurance	255	288	33	0.82	0.79	(0.03)	12%
Land tax	128	138	10	0.41	0.38	(0.04)	7%
Contract services	129	174	45	0.42	0.48	0.06	26%
Security	36	38	2	0.11	0.10	(0.01)	6%
Health and Safety	42	13	(29)	0.13	0.03	(0.10)	(232%) ⑮
Environmental	118	183	65	0.38	0.50	0.12	35% ⑯
Information Technology	22	8	(14)	0.07	0.02	(0.05)	(181%)
Human Resources	7	7	0	0.02	0.02	(0.00)	1%
Warehousing	111	5	(106)	0.36	0.01	(0.34)	(2247%) ⑰
Site Admin	31	22	(9)	0.10	0.06	(0.04)	(43%)
Controlling	1	-	(1)	0.00	-	(0.00)	-
GENERAL AND ADMINISTRATION OPEX Total	1,398	1,427	29	4.50	3.90	(0.61)	2%
Total TACORA Scully Mine (OPEX Total)	24,401	24,612	211	78.60	67.22	(11.38)	1%
Mineral royalty accrual (MFC, Knoll Lake and NL)	2,204	2,584	380	7.10	7.06	(0.04)	15% ⑱
Depreciation and amortization	1,990	1,996	6	6.41	5.45	(0.96)	0%
Total TACORA Scully Mine	28,596	29,193	596	92.11	79.73	(12.38)	2%
Total TACORA Scully Mine Cash Costs (OPEX Total)	24,401	24,612	211	78.60	67.22	(11.38)	1%
Total TACORA Scully Mine Cash Costs	26,606	27,196	590	85.70	74.28	(11.42)	2%

1	July maintenance included new front tires on haul trucks 108/104 and the 994K loader (v.s. four budgeted), and higher consumables such as lubricants, oils, and filters compared to budget (\$75K higher).
2	Costs will vary with the timing and size of blasts. There were two blasts in West Pit during the month.
3	Favourable variance is mostly due to lower pricing. The average cost per liter in July was \$0.99 vs. \$1.12 budgeted.
4	Favourable variance is mostly due to earning an SQT bonus of 11% compared to 17% budgeted. Actual headcount is consistent with budget.
5	July costs included additional mobile maintenance contractors (SMS, Toromont, KIC) which was approved due to an increase in planned work (277K higher than budget), a Sandvik technician who is on site for training on the Sandvik drill (\$52K, not budgeted) and a drill trainer from Northstar who is onsite for training on the Tacora drills (\$30K, not budgeted).
6	July costs included the rental of a water truck to help with dust control and the rental of a fuel truck while the HM400 was down for maintenance. The second fuel truck purchased in May is still undergoing commissioning.
7	July maintenance costs included liners for the Mill 3 PM (\$320K, not budgeted) and refractory for the Dryer 1 PM (\$220K, not budgeted). In addition, there was an increase in air conditioning work done and consumables were \$50K over budget.
8	Unfavourable variance is due to both higher consumption (\$107K) and higher pricing (\$56K).
9	Favourable variance is due to both lower consumption (\$353K) and lower pricing (\$134K). The average cost per liter in July was \$0.66 vs. \$0.73 budgeted.
10	Favourable variance is mostly due to earning an SQT bonus of 11% compared to 17% budgeted, as well as lower employee costs due to lower headcount of 204 compared to 212 budgeted.
11	Maintenance contractor costs (MacGregors, Maritime, Aboriginal Cleaners) were \$500K higher than budget (the budget included a 20% decrease in maintenance contractor costs beginning in July), Mill 3 PM was 95% complete at the end of July and costs were \$125K higher than budget, and Dryer 1 PM was 60% complete at the end of the month (\$880K, not budgeted).
12	Favourable variance relates to lower volume shipped than budgeted.
13	Favourable variance is due to fewer tonnes shipped than budgeted.
14	Favourable variance is based on updating the prior accrual to actual estimates received from SFPN.
15	Higher HSE costs during the month were due to a large increase in safety voucher redemptions as the 2023 safety vouchers were distributed in June, Environmental costs included a dust suppression project that is being done by BBA, and Warehouse costs included prior period liner and bull gear storage fees.
16	Favourable variance is due to fewer tones sold than budgeted partially offset by an increase in iron ore prices leading to a positive MTM.

Price-Volume Analysis			USD							YTD
			Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	
Diesel	Actual	Liters	1,000,224	1,003,316	875,838	917,338	952,491	970,692	912,016	6,631,915
		\$ per L	1.6759	1.2597	1.3270	1.1118	1.0294	1.0662	0.9874	1.2121
		\$	1,676,302	1,263,877	1,162,266	1,019,851	980,496	1,034,987	900,561	8,038,340
	Budget	Liters	950,798	987,102	1,044,638	962,173	1,095,853	982,493	927,029	6,950,087
		\$ per L	1.1904	1.1731	1.1720	1.1792	1.1716	1.1091	1.1158	1.1592
		\$	1,131,821	1,157,921	1,224,294	1,134,594	1,283,870	1,089,674	1,034,392	8,056,566
	Variance	Price Var	(485,645)	(86,936)	(135,803)	61,873	135,415	41,598	117,079	(352,419)
		Volume Var	(58,837)	(19,020)	197,831	52,870	167,959	13,089	16,752	370,644
		Total Var	(544,481)	(105,956)	62,028	114,743	303,374	54,687	133,831	18,226
Hydro	Actual	Kwh	28,401,844	29,249,624	31,533,725	30,347,867	29,979,426	21,308,901	23,681,582	194,502,969
		\$ per Kwh	0.0262	0.0241	0.0222	0.0220	0.0216	0.0235	0.0272	0.0237
		\$	742,841	705,866	701,127	666,263	648,659	500,403	644,500	4,609,659
	Budget	Kwh	22,931,376	20,949,209	26,630,093	22,789,312	23,237,399	22,347,071	19,381,222	158,265,683
		\$ per Kwh	0.0244	0.0244	0.0238	0.0242	0.0241	0.0244	0.0249	0.0243
		\$	558,865	510,966	633,072	550,706	560,520	546,198	481,903	3,842,229
	Variance	Price Var	(50,654)	7,553	48,518	67,096	74,487	20,420	(55,671)	111,750
		Volume Var	(133,322)	(202,453)	(116,573)	(182,653)	(162,627)	25,375	(106,926)	(879,180)
		Total Var	(183,976)	(194,900)	(68,055)	(115,557)	(88,140)	45,795	(162,597)	(767,430)
Bunker C	Actual	Liters	1,351,995	2,573,700	3,010,896	2,726,762	2,016,000	851,473	1,936,856	14,467,682
		\$ per L	0.7571	0.6929	0.6917	0.6553	0.7174	0.6875	0.6575	0.6899
		\$	1,023,648	1,783,377	2,082,490	1,786,763	1,446,298	585,363	1,273,479	9,981,419
	Budget	Liters	2,348,766	2,346,174	2,392,842	2,350,257	2,424,098	2,426,110	2,422,211	16,710,458
		\$ per L	0.7107	0.7214	0.7033	0.7042	0.7032	0.7094	0.7266	0.7113
		\$	1,669,183	1,692,638	1,682,987	1,654,998	1,704,721	1,721,142	1,759,963	11,885,632
	Variance	Price Var	(62,835)	73,409	35,200	133,361	(28,568)	18,692	133,828	303,089
		Volume Var	708,369	(164,148)	(434,703)	(265,126)	286,991	1,117,086	352,656	1,601,124
		Total Var	645,535	(90,739)	(399,503)	(131,765)	258,423	1,135,779	486,484	1,904,213
Concentrate Transport Costs						July-23	YTD			
Tonnage						309,216.51	1,974,980.50			
Minimum Tonnage						300,000.00	1,710,626.15			
Deficit Tonnage						-	(59,371.98)			
Base Rate						9.88	10.16			
Price Participation						2.80	3.14			
Haulage Price						12.69	13.29			
Loco Price						1.36	1.49			
Other						0.40	0.27			
Cost Excluding Deficit Tonnage (\$USD/tonne)						14.45	15.05			
Deficit Cost						-	0.35			
Concentrate Transport Costs (\$USD/tonne)						14.45	15.40			
Rail Cost						3,477,396.94	22,992,820.99			
Price Participation						867,005.98	6,197,561.59			
Deficit Cost						-	692,533.12			
Penalties						4,160.94	37,823.79			
Western Rail						118,604.11	827,678.57			
Other						-	(334,330.08)			
Total (\$USD)						4,467,167.97	30,414,087.98			

① Tonnage * (Base Price + Loco Price)

② Tonnage * Price Participation

③ Deficit Tonnage * (Base Price + Loco Price)

④ Force Majeure Credit received from QNSL in relation to outage at SFPPN in Feb.

Tacora Resources Inc.				Produced	Produced	Produced	
Operating Cost Variance Analysis				Cost/Tonne	Cost/Tonne	Cost/Tonne	%
(Expressed in thousands of US dollars)				Actual	Budget	Variance F/(U)	Variance F/(U)
	Actual	Budget	Variance F/(U)	Actual	Budget	Variance F/(U)	Variance F/(U)
	Jul-23	Jul-23	Jul-23	Jul-23	Jul-23	Jul-23	Jul-23
Production (DMT)	310,455	366,149	(55,694)				-15%
Rail shipments invoiced to Cargill (DMT)	304,265	366,149	(61,884)				-17%
Vessel shipments to Cargill (DMT)	168,092	350,000	(181,908)				-52%
Ending concentrate inventory (DMT)	21,667	-	21,667				N/A
Tacora Resources Inc.							
Operating Cost Variance Analysis				Produced	Produced	Produced	
(Expressed in thousands of US dollars)				Cost/Tonne	Cost/Tonne	Cost/Tonne	Variance F/(U)
	Actual	Budget	Variance F/(U)	Actual	Budget	Variance F/(U)	Variance F/(U)
	Jul-23	Jul-23	Jul-23	Jul-23	Jul-23	Jul-23	Jul-23
TACORA General & Administrative Expenses:							
Salaried Wages and Benefits	302	346	44	0.97	0.94	(0.03)	13%
Professional Fees	404	67	(337)	1.30	0.18	(1.12)	-503%
Travel Cost	54	80	26	0.17	0.22	0.04	33%
Professional Fees (Audit and Tax Services)	50	73	23	0.16	0.20	0.04	32%
Sustainability and other Community Expenses	45	114	69	0.14	0.31	0.17	61%
Other	521	77	(444)	1.68	0.21	(1.47)	-577%
Insurance	51	55	4	0.16	0.15	(0.01)	7%
Total TACORA General and Administrative Expenses	1,427	812	(615)	4.60	2.22	(2.36)	-76%

① Variance due to PIP consulting fees of \$0.5 million not included in budget

Tacora Resources Inc. Operating Cost Variance Analysis (Expressed in thousands of US dollars)				Produced	Produced	Produced	
	Actual	Budget	Variance F/(U)	Cost/Tonne	Cost/Tonne	Cost/Tonne	%
	YTD	YTD	YTD	YTD	YTD	YTD	YTD
Total material moved (excluding rehandle) (Mt)	14,419,126	12,993,478	1,425,648				11%
Total material moved (including rehandle) (Mt)	16,562,530	15,592,174	970,356				6%
Production (DMT)	1,966,639	2,284,611	(317,972)				(14%)
Rail shipments invoiced to Cargill (DMT)	1,942,981	2,284,611	(341,630)				(15%)
Vessel shipments to Cargill (DMT)	1,677,039	2,250,000	(572,961)				(25%)
Ending concentrate inventory (DMT)	21,667	-	21,667				-
MINING OPEX							
Variable operating costs							
Maintenance costs	8,908	8,283	(625)	4.53	3.63	(0.90)	(8%) ①
Explosives	2,809	4,180	1,370	1.43	1.83	0.40	33% ②
Energy cost - fuel	7,321	8,057	736	3.72	3.53	(0.20)	9% ③
Energy cost - electricity	-	-	-	-	-	-	-
Mining OPEX Variable Subtotal	19,038	20,519	1,481	9.68	8.98	(0.70)	7%
Fixed operating costs							
Direct labor costs	12,315	15,490	3,176	6.26	6.78	0.52	21% ④
Computer software/licenses	153	116	(38)	0.08	0.05	(0.03)	(32%)
External consultants/contractors	5,450	4,492	(958)	2.77	1.97	(0.81)	(21%) ⑤
Auxiliary fleet & equipment rental (operations)	1,086	422	(664)	0.55	0.18	(0.37)	(157%) ⑥
Environmental	153	324	171	0.08	0.14	0.06	53%
Mining OPEX Fixed Subtotal	19,157	20,843	1,686	9.74	9.12	(0.62)	8%
MINING OPEX Total	38,195	41,363	3,167	19.42	18.10	(1.32)	8%
MINING OPEX Total / Total Material Moved				2.65	3.18	0.53	17%
PROCESS PLANT OPEX							
Variable operating costs							
Maintenance costs	15,770	14,149	(1,621)	8.02	6.19	(1.83)	(11%) ⑦
Energy cost - electricity	4,249	3,842	(407)	2.16	1.68	(0.48)	(11%) ⑧
Energy cost - bunker C	9,526	11,886	2,360	4.84	5.20	0.36	20% ⑨
Process Plant OPEX Variable Subtotal	29,544	29,876	332	15.02	13.08	(1.95)	1%
Fixed operating costs							
Direct labor costs	14,574	17,692	3,118	7.41	7.74	0.33	18% ⑩
External consultants/contractors	17,488	10,736	(6,752)	8.89	4.70	(4.19)	(63%) ⑪
Auxiliary fleet & equipment rental (operations)	852	604	(248)	0.43	0.26	(0.17)	(41%) ⑫
Environmental	111	48	(63)	0.06	0.02	(0.04)	(133%)
Dust emission mitigation measures and restoration	-	-	-	-	-	-	-
Process Plant OPEX Fixed Subtotal	33,025	29,079	(3,946)	16.79	12.73	(4.06)	(14%)
PROCESS PLANT OPEX Total	62,569	58,956	(3,614)	31.82	25.81	(6.01)	(6%)
CONCENTRATE TRANSPORT & PORT COSTS							
Concentrate transport costs	30,414	33,921	3,507	15.47	14.85	(0.62)	10% ⑬
Concentrate port costs	19,421	21,231	1,810	9.88	9.29	(0.58)	9% ⑭
Railcar maintenance	1,451	1,342	(109)	0.74	0.59	(0.15)	(8%) ⑮
CONCENTRATE TRANSPORT & PORT COSTS Total	51,286	56,494	5,208	26.08	24.73	(1.35)	9%
GENERAL AND ADMINISTRATION OPEX							
Salaried wages and benefits	3,117	3,548	430	1.59	1.55	(0.03)	12% ⑯
Insurance	1,721	2,015	295	0.87	0.88	0.01	15%
Land tax	880	962	82	0.45	0.42	(0.03)	9%
Contract services	1,029	1,137	108	0.52	0.50	(0.03)	9% ⑰
Security	221	262	41	0.11	0.11	0.00	16%
Health and Safety	111	66	(45)	0.06	0.03	(0.03)	(68%)
Environmental	480	906	426	0.24	0.40	0.15	47% ⑱
Information Technology	165	55	(110)	0.08	0.02	(0.06)	(201%) ⑲
Human Resources	33	26	(7)	0.02	0.01	(0.01)	(29%)
Warehousing	211	36	(174)	0.11	0.02	(0.09)	(482%) ⑳
Site Admin	308	157	(151)	0.16	0.07	(0.09)	(96%) ㉑
Controlling	4	11	8	0.00	0.01	0.00	68%
GENERAL AND ADMINISTRATION OPEX Total	8,278	9,181	903	4.21	4.02	(0.19)	10%
Total TACORA Scully Mine (OPEX Total)	160,329	165,993	5,664	81.52	72.66	(8.87)	3%
Mineral royalty accrual (MFC, Knoll Lake and NL)	13,302	15,561	2,259	6.76	6.81	0.05	15% ㉒
Depreciation and amortization	14,218	13,649	(569)	7.23	5.97	(1.26)	(4%)
Total TACORA Scully Mine	187,848	195,203	7,354	95.52	85.44	(10.08)	4%
Total TACORA Scully Mine Cash Costs (OPEX Total)	160,329	165,993	5,664	81.52	72.66	(8.87)	3%
Total TACORA Scully Mine Cash Costs	173,630	181,553	7,923	88.29	79.47	(8.82)	4%

1	Unfavourable variance is due to dozer blade and push arm repairs (Mar), the changeout of bucket parts on SH12 (Jun), higher lubricants and filters compared to budget (\$583K), and the timing of rock box repairs, tires and tracks.
2	Costs will vary with the timing and size of blasts. There have been twelve production blasts so far in 2023.
3	Variance is due to lower consumption offset by higher pricing (\$1.21/L YTD compared to \$1.16/L budgeted)
4	Favourable variance is due to lower headcount since the beginning of the year and lower SQT bonus earned year to date compared to budget.
5	Unfavourable variance is due to the 994 bucket repair and rebuild which was done by Toromont (\$152K), one Sandvik technician who is onsite daily to provide drill training and support (\$228K), and mobile maintenance support (SMS, KIC, TMH, Toromont) remaining higher than budget as the team has been short since the beginning of the year.
6	Unfavourable variance is mostly due to repairs on three pieces of tailings equipment rented from Bird that were damaged at the beginning of January. Damage to the D8 was \$242K, damage to the 349 excavator was \$64K, and damage to the PC210 was \$10K. Also included are various rentals needed to replace equipment that is down (D8 dozer, grader, fuel truck, etc.) and water truck to help with dust control during the summer.
7	Unfavourable variance is due to unplanned work such as 2B conveyor belting (Jan, \$341K) and the timing of major work such as mill, crusher and dryer PM's.
8	Unfavourable variance is mostly due to higher usage compared to budget (\$880K).
9	Favourable variance is due to lower consumption of \$1.6M.
10	Favourable variance is due to lower headcount since the beginning of the year and lower SQT bonus earned compared to budget.
11	Unfavourable variance is due to the timing of major work compared to budget (CRO1/02 upper pockets, CRO2 mechanical overhaul, DRO2/DRO1 PM) and the continued use of contractors to compensate for lower headcount (maintenance, electrical, instrumentation, boiler room, etc.).
12	Unfavourable variance is due to renting two 966 loaders, one for reclaim and one for maintenance.
13	Favourable variance is due to fewer tonnes railed than budgeted offset by higher than budgeted price premium.
14	Favourable variance is due receiving a credit from PSI in relation to the YE2022.
15	Unfavorable variance is due to a higher amount of work than budgeted including car cleaning costs.
16	Favourable variance is due to lower headcount at the beginning of the year and lower SQT bonus earned compared to budget.
17	Variance is due to the timing of spend. Environmental includes a dust suppression project being done by BBA, Warehousing includes liner and bull gear storage fees, and Site admin includes recruiting fees for the VP, GM position.
18	Favourable variance is due to fewer tones sold than budgeted.

Tacora Resources Inc.	YTD	YTD		Produced	Produced	Produced	%
Operating Cost Variance Analysis	Actual	Budget	Variance F/(U)	Cost/Tonne	Cost/Tonne	Cost/Tonne	Variance F/(U)
(Expressed in thousands of US dollars)	Jul-23	Jul-23	Jul-23	Jul-23	Jul-23	Jul-23	Jul-23
Production (DMT)	1,966,639	2,284,612	(317,973)				-14%
Rail shipments invoiced to Cargill (DMT)	1,942,980	2,284,612	(341,632)				-15%
Vessel shipments to Cargill (DMT)	1,677,040	2,250,000	(572,960)				-25%
Ending concentrate inventory (DMT)	21,667	-	21,667				N/A
				Produced	Produced	Produced	
	YTD	YTD		Cost/Tonne	Cost/Tonne	Cost/Tonne	
	Actual	Budget	Variance F/(U)	Actual	Budget	Variance F/(U)	Variance F/(U)
	Jul-23	Jul-23	Jul-23	Jul-23	Jul-23	Jul-23	Jul-23
TACORA General & Administrative Expenses:							
Salaried Wages and Benefits	3,039	2,372	(667)	1.55	1.04	(0.51)	-28%
Professional Fees	2,008	695	(1,313)	1.02	0.30	(0.72)	-189%
Travel Cost	320	560	240	0.16	0.25	0.08	43%
Professional Fees (Audit and Tax Services)	371	510	139	0.19	0.22	0.03	27%
Sustainability and other Community Expenses	366	1,338	972	0.19	0.59	0.40	73%
Other	7,473	507	(6,966)	3.80	0.22	(3.58)	-1374%
Insurance	365	386	21	0.19	0.17	(0.02)	5%
Total TACORA General and Administrative Expenses	13,942	6,368	(7,574)	7.09	2.79	(4.29)	-119%

① Variance due to PIP consulting fees of \$6.7 million and manganese consulting fees of \$0.3 million not included in budget

Tacora Resources Inc.
Operational KPI's

	Actual Jul-23	Actual Jun-23	Actual May-23	Actual Apr-23	Actual Mar-23	Actual Feb-23	Actual Jan-23
SAFETY							
Lost time injuries	-	-	-	-	-	1	-
Restricted duty injuries	-	-	2	1	-	-	1
First aid injuries	-	-	-	2	1	2	-
QUALITY							
Final concentrate							
Average Fe	65.3%	65.4%	65.3%	65.9%	65.4%	65.4%	65.5%
Average SiO2	2.7%	2.6%	2.7%	2.9%	2.7%	2.8%	2.8%
Average Mn	2.0%	2.0%	1.9%	1.3%	1.8%	1.7%	1.6%
Spiral concentrate							
Average Fe	59.9%	60.8%	61.6%	63.1%	62.1%	61.8%	61.3%
Average SiO2	5.7%	4.8%	4.6%	4.9%	4.7%	4.8%	4.6%
Average Mn	4.7%	4.3%	3.8%	2.3%	3.3%	3.3%	3.8%
Crude ore							
Average Fe	35.3%	36.8%	36.8%	35.9%	35.4%	35.0%	35.6%
Average Mn	4.4%	3.6%	3.4%	2.4%	2.8%	2.8%	3.1%
Average Magnetite	3.6%	3.0%	4.2%	3.0%	3.3%	3.7%	3.2%
RECOVERY							
Weight recovery	28.1%	20.2%	29.3%	36.8%	34.2%	25.4%	33.1%
Iron recovery	51.9%	35.8%	52.0%	67.6%	63.1%	47.4%	60.8%
MINE (Tonnes unless otherwise stated)							
Total material moved	2,513,354	2,399,836	2,673,235	2,118,552	2,360,193	2,026,789	2,470,571
Total ore to crusher	1,219,046	789,808	1,223,155	1,323,102	1,399,109	1,024,511	943,897
Total ore to stockpile	239,784	232,117	145,153	122,648	116,368	207,513	63,502
Waste moved	913,988	1,256,937	1,220,128	581,855	783,469	759,899	1,381,072
Material moved for roadwork	102,559	70,600	54,627	54,916	3,668	2,488	8,031
Drilled meters - Tacora	12,176	5,407	20,265	10,654	16,794	13,043	10,040
Drilled meters - Contractors	-	-	-	-	-	-	-
Broken reserves	2,951,059	3,296,047	4,293,289	4,994,039	3,359,775	3,359,775	4,939,092
Ore stockpile inventory (low Mn 0% - 2%)	33,312	41,264	10,141	16,309	-	43,661	-
Ore stockpile inventory (high Mn 2% - 4%)	12,842	27,133	32,906	194,891	205,927	214,592	1,200
Ore stockpile inventory (ultra high Mn greater than 4%)	457,029	451,655	379,375	563,799	590,509	685,359	178,853
Total ore available	503,183	520,052	422,422	774,999	796,436	943,612	180,053
Strip ratio	1.07	1.36	1.20	0.44	0.59	0.64	1.57
Shovel uptime	50%	57%	50%	52%	56%	56%	45%
Loader uptime	70%	57%	74%	45%	65%	63%	60%
Drill uptime	28%	15%	40%	19%	29%	25%	18%
Haul truck uptime	58%	59%	62%	61%	56%	56%	52%
US\$ mining cash cost/tonne of total material moved	3.20	1.36	2.27	3.40	2.90	2.81	2.99
PLANT (Tonnes unless otherwise reported)							
Crude Ore Feed to Mills	1,151,601	727,710	1,116,000	1,118,255	1,134,769	831,304	725,866
Final concentrate produced	310,455	140,777	314,128	395,549	372,333	202,905	230,492
Spiral concentrate produced	420,069	267,909	416,630	436,642	423,589	261,276	250,059
Spiral concentrate to stockpile	100,396	175,251	96,354	18,916	42,576	58,363	36,597
Spiral concentrate from stockpile	37,977	50,374	30,172	36,027	57,473	32,077	33,442
Spiral concentrate inventory	191,906	164,036	66,392	13,337	21,688	29,441	3,155
Plant ending inventory	10,614	9,402	18,996	9,255	4,506	12,480	10,272
Mill uptime	72%	51%	66%	71%	74%	72%	52%
Dryer uptime	58%	25%	52%	64%	60%	49%	52%
MRC uptime	92%	45%	82%	94%	96%	81%	72%
US\$ cash cost/tonne produced	85.70	117.03	76.08	72.25	78.34	114.33	118.12
LOGISTICS							
Port ending inventory	421,681	287,696	398,122	444,914	234,677	201,451	233,141
Final concentrate shipped to customers	168,092	253,263	346,374	168,100	333,676	239,763	167,772
Number of trains shipped	28	14	28	35	35	20	22
Number of vessels shipped	1	2	2	1	2	2	1
CONSUMPTION							
Electricity consumed (KwH)	23,681,582	21,308,901	29,979,426	30,347,867	31,533,725	29,249,624	28,401,844
Electricity consumed/crude ore feed to mills (KwH/tonne)	20.56	29.28	26.86	27.14	27.79	35.19	39.13
Electricity cost (USD\$/KwH)	\$ 0.0272	\$ 0.0235	\$ 0.0216	\$ 0.0220	\$ 0.0222	\$ 0.0241	\$ 0.0262
Bunker C fuel consumed (liters) *	1,936,856	851,473	2,016,000	2,726,762	3,010,896	2,573,700	1,351,995
Bunker C fuel consumed/final concentrate produced (liters)	6.24	6.05	6.42	6.89	8.09	12.68	5.87
Bunker C fuel cost (USD\$/liter) **	\$ 0.66	\$ 0.69	\$ 0.72	\$ 0.66	\$ 0.69	\$ 0.69	\$ 0.76
Diesel fuel consumed (liters)	912,016	970,692	952,491	917,338	875,838	1,003,316	1,000,224
Diesel fuel consumed/total material moved (liters)	0.36	0.40	0.36	0.43	0.37	0.50	0.40
Diesel Fuel Cost (USD\$/liter)	\$ 0.99	\$ 1.07	\$ 1.03	\$ 1.11	\$ 1.33	\$ 1.26	\$ 1.68
FUEL INVENTORY							
Bunker C (liters)	3,200,836	4,137,964	3,968,864	2,038,613	2,773,810	2,785,430	4,350,858
Diesel (liters)	1,038,252	1,149,479	1,849,148	2,224,444	1,895,482	1,121,674	855,616
Total team member hours worked	77,891	74,425	75,814	71,134	72,203	66,162	72,960

Tacora Resources		Project	Status	CAR/AFE	CAR/AFE	Est.	Actual	Actual	Total Actual	Est. at	Approved	
Detail of Ongoing Capex Projects		Number		Start Date	Completion Date	Completion Date	Incurred as of	Incurred	Costs Incurred	Completion (USD)	CAR/AFE Budget (USD)	Variance F/(U)
PRIOR YEAR TACORA CAPEX PROJECTS - ONGOING												
Mine Projects												
Engine and Powertrain Replacement (DZ203)	C22043	Ongoing	8/25/22	2/28/23	8/31/23	-	819,178	819,178	1,066,400	1,066,400	-	1
Diesel Fuel Tank (1,000 gallons)	C22062	Ongoing	12/07/22	12/31/23	8/31/23	-	14,143	14,143	16,722	16,722	-	2
Plant Projects												
Crusher Pocket Rock Breaker	C1800013	On Hold	3/06/19	6/25/19		497,146	-	497,146	986,602	824,972	(161,630)	3
Replace 5 Fire Hydrants	C21006	On Hold	6/21/21	7/23/21		40,755	-	40,755	267,472	223,952	(43,520)	3
Technical Support for BMS Certification	C21013	On Hold	4/11/21	7/04/21		484,407	-	484,407	1,007,623	297,225	(710,398)	3
Loadout Scale System	C21026	Ongoing			9/30/23	441,601	23,192	464,793	1,009,302	-	(1,009,302)	1
Mill Belt Scale Replacement	C21027	Ongoing			9/30/23	117,566	-	117,566	343,836	-	(343,836)	1
Thickener Instrumentation Upgrade	C21034	On Hold	6/27/21	11/19/21		171,016	-	171,016	171,016	146,432	(24,584)	3
Crusher Bottom Shell Assembly	C22011	Ongoing	4/29/22	5/31/23	9/30/23	604,056	241,390	845,446	1,400,000	1,400,000	-	4
Rebuild 2 x 4160V 600A Switch Houses	C22018	Ongoing	5/25/22	9/30/22	12/31/23	-	-	-	104,000	104,000	-	1
Compressed Air Dryer	C22020	Ongoing	6/01/22	10/01/22	4/01/24	-	-	-	347,132	347,132	-	1
Dryer 3 Steam Atomization	C22025	Ongoing	7/30/22	9/15/22	8/31/23	380,528	78,397	458,925	510,018	510,018	-	2
HP-MS Automatic Pulverizing Mill	C22029	Ongoing	6/09/22	3/31/23	8/31/23	-	108,634	108,634	135,554	135,554	-	1
Screen Plant VFD	C22059	Ongoing	11/15/22	6/15/23	8/31/23	-	-	-	198,000	198,000	-	1
G&A Projects												
Security Gate Improvements	C21036	Ongoing	6/01/21	10/30/21	8/31/23	237,502	964	238,466	316,541	311,965	(4,576)	1
							2,974,579	1,285,897	4,260,475	7,880,218	5,582,371	(2,297,846)
CURRENT YEAR TACORA CAPEX PROJECTS - ONGOING												
Mine Projects												
Engine & Transmission Replacement - 18M Grader	C23010	Ongoing	3/06/23	3/20/23	8/31/23	-	228,281	228,281	269,828	269,828	-	1
2023 Mine Development	C23012	Ongoing	2/28/23	11/30/23	11/30/23	-	-	-	232,442	232,442	-	1
Sandvik Drill Lease	C23014	Ongoing	2/28/23	1/31/24	1/31/24	-	217,339	217,339	370,612	-	(370,612)	6
Trailing Cables for Mine Equipment	C23015	Ongoing	3/01/23	10/01/23	10/01/23	-	74,059	74,059	527,426	527,426	-	1
Replace Door - Truck Storage	C23022	Ongoing	8/01/23	9/01/23	9/01/23	-	-	-	95,112	95,112	-	1
994k Wheel Loader	C23027	Ongoing	4/01/23	6/30/23	9/30/23	-	1,460,194	1,460,194	7,432,663	7,432,663	-	6
T800B Kenworth Fuel and Lube Truck	C23035	Ongoing	4/11/23	5/31/23	8/31/23	-	191,506	191,506	253,085	253,085	-	9
SH14 PTO Replacement	C23037	Ongoing	8/16/23	8/30/23	12/31/23	-	-	-	263,603	263,603	-	7
HT 103 Left & Right Hand Front Corners	C23048	Ongoing	5/12/23	6/30/23	8/31/23	-	594	594	497,288	497,288	-	1
HT 101 Left & Right Hand Wheel Motors	C23049	Ongoing	8/15/23	8/31/23	12/31/23	-	-	-	663,050	663,050	-	7
Left Hand Wheel Motor HT 104	C23050	Ongoing	6/10/23	6/30/23	12/31/23	-	-	-	331,525	331,525	-	7
Left Hand Wheel Motor HT 105	C23051	Ongoing	7/01/23	7/15/23	12/31/23	-	-	-	331,525	331,525	-	7
Right Hand Wheel Motor HT 108	C23052	Ongoing	6/01/23	6/30/23	8/31/23	-	1,618	1,618	331,525	331,525	-	1
Right Hand Wheel Motor HT 109	C23053	Ongoing	7/15/23	7/31/23	12/31/23	-	-	-	331,525	331,525	-	7
Left Hand Wheel Motor HT 110	C23054	Ongoing	7/15/23	7/31/23	12/31/23	-	-	-	331,525	331,525	-	7
Right Hand Front Corner HT 101	C23055	Ongoing	9/15/23	9/30/23	12/31/23	-	-	-	248,644	248,644	-	7
Left Hand Front Corner HT 104	C23056	Ongoing	7/25/23	8/15/23	8/15/23	-	16	16	248,644	248,644	-	7
Left Hand Front Corner HT 109	C23057	Ongoing	8/25/23	9/15/23	12/31/23	-	-	-	248,644	248,644	-	7
Replace Undercarriage Shovel 6	C23061	Ongoing	9/16/23	9/26/23	12/31/23	-	-	-	1,452,218	1,452,218	-	7
Plant Projects												
Fines Remediation	C23001	Ongoing	1/01/23	4/15/23	9/30/23	-	1,346,551	1,346,551	1,346,551	1,146,474	(200,077)	1
5 K Starter Replacement	C23006	Ongoing	6/09/22	3/31/23	4/30/24	-	316,989	316,989	1,491,863	1,491,863	-	1
Pulley Upgrade for 1B Conveyor	C23007	Ongoing	2/01/23	5/05/23	9/30/23	-	35,669	35,669	40,008	40,008	-	1
Mill Recirc Redesign	C23011	Ongoing	3/01/23	8/30/23	10/01/23	-	123,193	123,193	1,116,637	1,116,637	-	1
Replacement of 10-Conveyor or Gearbox	C23019	Ongoing	3/15/23	9/15/23	9/15/23	-	-	-	80,710	80,710	-	1
Mechanical Back Stop for New 1B Head Pulley	C23021	Ongoing	3/20/23	5/31/23	9/30/23	-	40,094	40,094	44,801	44,801	-	1
Installation of Thickener Monorail	C23028	Complete	4/01/23	6/15/23		-	30,724	30,724	56,173	56,173	-	1
Pulley Upgrade for 1B/2B Conveyor	C23030	Complete	4/04/23	6/30/23		-	88,057	88,057	97,025	97,025	-	1
Dust Collection System Conveyor or 20-21	C23031	Complete	4/05/23	6/30/23		-	25,050	25,050	34,132	34,132	-	1
Portable Pipe Cutter & Groover	C23033	Ongoing	4/06/23	5/31/23	8/15/23	-	-	-	74,403	74,403	-	1
Scaffolding Equipment	C23034	Ongoing	4/10/23	5/31/23	8/15/23	-	50,202	50,202	60,165	60,165	-	1
2B Chain Hoists	C23036	Ongoing	4/11/23	6/30/23	9/30/23	-	-	-	50,567	50,567	-	1
Rougher Tails Cyclones	C23038	Ongoing	5/01/23	8/30/23	8/30/23	-	-	-	553,345	553,345	-	1
Purchase 5 Light Duty Vehicles (New)	C23039	Ongoing	4/27/23	5/12/23	12/31/23	-	-	-	141,417	141,417	-	12
Upgrade Clean-up Pumping System - Classifier	C23041	Ongoing	5/01/23	6/15/23	8/31/23	-	159,432	159,432	218,007	218,007	-	1
Lab Rolls Crusher	C23043	Ongoing	5/10/23	9/30/23	9/30/23	-	9,885	9,885	11,065	11,065	-	1
New Deister Shaker Table	C23044	Ongoing	5/10/23	7/31/23	8/31/23	-	7,834	7,834	16,254	16,254	-	1
Grinding Mill Ring Gear Spare	C23045	Ongoing	5/11/23	3/31/24	3/31/24	-	231,476	231,476	661,361	661,361	-	1
Winterization - Doors & Structures	C23058	Ongoing	5/29/23	9/30/23	9/30/23	-	-	-	154,690	154,690	-	1
Mill 1 Rebuild	C23063	Complete	5/10/23	6/07/23		-	-	-	1,657,625	1,657,625	-	1
Overhead Door Replacement (Behind Mill 6)	C23064	Ongoing	6/27/23	9/30/23	9/30/23	-	-	-	74,519	74,519	-	1
Overhead & Man Door Replacement (Basement)	C23065	Ongoing	6/28/23	9/30/23	9/30/23	-	-	-	163,146	163,146	-	1
Replace Piping - Tailings Main Seal Water Line	C23066	Complete	6/01/23	6/30/23		-	126,211	126,211	126,211	126,211	-	1
Plate Roller for Central Services	C23067	Ongoing	8/01/23	9/30/23	9/30/23	-	-	-	-	41,934	41,934	1
Boiler Blowdown Tank Replacement	C23068	Ongoing	8/15/23	11/30/23	11/30/23	-	-	-	69,774	69,774	-	1
Heating System Winterization 2023	C23069	Ongoing	7/13/23	11/01/23	11/01/23	-	-	-	508,669	508,669	-	1
1 MVA Power Distribution Transformer x 2 (Critical Spares)	C23070	Ongoing	7/13/23	6/30/24	6/30/24	-	-	-	261,373	261,373	-	1
Boiler Room Combustion Control Upgrade	C23071	Ongoing	8/01/23	10/31/23	10/31/23	-	-	-	7,718	7,718	-	1
#1 GE Boiler - Redundant Recirculating Pump	C23072	Ongoing	7/15/23	12/31/23	12/31/23	-	-	-	256,637	256,637	-	1
4160V 600A Switch Houses x 2	C23073	Ongoing	7/15/23	12/31/23	12/31/23	-	-	-	259,772	259,772	-	1
Redundant 12.5 MVA Power Transformer	C23074	Ongoing	8/07/23	9/30/23	9/30/23	-	-	-	582,572	582,572	-	1
G&A Projects												
Containment of Asbestos Tile - HSE and Basement Adm in	C23013	Ongoing	3/01/23	3/15/23	9/30/23	-	8,798	8,798	19,477	19,477	-	1
Renovate Dry Above Warehouse	C23017	Ongoing	3/15/23	4/30/23	8/15/23	-	43,895	43,895	44,673	44,673	-	1
Fastenal Containers	C23024	Ongoing	3/01/23	3/31/23	12/31/23	-	-	-	62,294	62,294	-	15
Dewatering Pump from Knoll Basin to South Pit	C23025	Ongoing	3/27/23	6/01/23	8/31/23	-	178,446	178,446	301,390	301,390	-	1
Tailings Expansion 2023-2024	C23047	Ongoing	5/15/23	6/30/24	6/30/24	-	38,467	38,467	562,467	562,467	-	1
Vern Lake Removal & Offsetting Phase 1	C23060	Ongoing	5/29/23	12/30/23	12/30/23	-	5,353	5,353	162,348	162,348	-	1
							-	6,541,907	6,541,907	23,891,924	25,505,596	1,613,672
Total 2023 Scully Mine Capex Projects												
							2,974,579	7,827,804	10,802,383	31,772,142	31,087,968	(684,174)

1	Work is ongoing.
2	Tank has arrived and will be installed soon.
3	Work is on hold.
4	Item has shipped installation will be planned upon arrival.
5	Camera to be installed during next Dryer 3 Shut Down in August.
6	Drill is on site and decision will be made before the end of the year whether to purchase or not.
7	Work will commence later in 2023.
8	Unit estimated to be delivered fall 2023.
9	Maintenance required before placed into service.
10	To be installed during September Shut.
11	Project complete. Will capitalize in August.
12	Two of five approved vehicles purchased.
13	The first container has been received. Two more cages expected before the end of the year.

EXHIBIT "G"

referred to in the Affidavit of

JOE BROKING

Sworn October 9, 2023

DocuSigned by:

A blue DocuSigned signature box containing a handwritten signature in blue ink that reads "Philip".

36124C4218DD47C...

Commissioner for Taking Affidavits

Philip Yang

**PERSONAL PROPERTY
SECURITY REGISTRATION
SYSTEM (ONTARIO)
ENQUIRY RESULTS**



*A Service Provider under Contract
with the Ministry of Government
Services*

Prepared for : Stikeman Elliott LLP - Beatrice Lorusso
Reference :
Docket : 142633,1002
Search ID : 936575
Date Processed : 29 Aug 2023
Report Type : PPSA Electronic Response
Search Conducted on : Tacora Resources Inc.
Search Type : Business Debtor

DISCLAIMER :

This report has been generated using data provided by the Personal Property Registration System, Ministry of Government Services, Government of Ontario. No liability is undertaken regarding its correctness, completeness, or the interpretation and use that are made of it.

RUN NUMBER : 241
RUN DATE : 2023/08/29
ID : 20230829121548.65

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

REPORT : PSSR060
PAGE : 1

THIS SEARCH DOES NOT CONSTITUTE A CERTIFICATE PURSUANT TO SECTIONS 43 AND 44 OF THE PPSA. A SEARCH HAS BEEN MADE IN THE RECORDS OF THE CENTRAL OFFICE OF THE PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM IN RESPECT OF THE FOLLOWING:
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

ENQUIRY NUMBER 20230829121548.65 CONTAINS 122 PAGE(S), 37 FAMILY(IES).

THE SEARCH RESULTS MAY INDICATE THAT THERE ARE SOME REGISTRATIONS WHICH SET OUT A BUSINESS DEBTOR NAME WHICH IS SIMILAR TO THE NAME IN WHICH YOUR ENQUIRY WAS MADE. IF YOU DETERMINE THAT THERE ARE OTHER SIMILAR BUSINESS DEBTOR NAMES, YOU MAY REQUEST THAT ADDITIONAL ENQUIRIES BE MADE AGAINST THOSE NAMES.

STIKEMAN ELLIOTT LLP - BEATRICE LORUSSO
SUIT NO: 5300 COMMERCE COURT WEST 199 BA
TORONTO ON M5L 1B9

CONTINUED... 2

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
RUN DATE : 2023/08/29
ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

792187182

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD

01 001 3 20230411 0825 1590 8190 P PPSA 5

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

03 NAME BUSINESS NAME TACORA RESOURCES INC.

ONTARIO CORPORATION NO.

04 ADDRESS SUITE 1700, PARK PLACE, 666 BARRARD VANCOUVER BC V6C 2X8

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / BANK OF MONTREAL
LIEN CLAIMANT

09 ADDRESS BMO CAPITAL MARKETS - CORPORATE BANKING, TORONTO ON M5X 1A1

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

10 X X
YEAR MAKE MODEL V.I.N.

MOTOR

12 VEHICLE

13 GENERAL

14 COLLATERAL

15 DESCRIPTION

16 REGISTERING MCMILLAN LLP (TW/ST/252476)

AGENT

17 ADDRESS 181 BAY ST, SUITE 4400, BROOKFIELD PLACE TORONTO ON M5J 2T3

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

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PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
RUN DATE : 2023/08/29
ID : 20230829121548.65

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

792187182

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD

01 002 3 20230411 0825 1590 8190

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

04 ADDRESS STREET
DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY /
LIEN CLAIMANT

09 ADDRESS 1 FIRST CANADIAN PLACE, 100 KING STREET

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

10 YEAR MAKE MODEL V.I.N.

11 MOTOR

12 VEHICLE

13 GENERAL

14 COLLATERAL

15 DESCRIPTION

16 REGISTERING

AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

PROVINCE OF ONTARIO
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PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

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ID : 20230829121548.65

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

792187182

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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01 003 3 20230411 0825 1590 8190

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS WEST, 4TH FLOOR

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL

COLLATERAL

DESCRIPTION

REGISTERING

AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

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PROVINCE OF ONTARIO
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PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

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ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

790268553

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD

01 001 14 20230126 1341 5064 9279 P PPSA 05

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

03 NAME BUSINESS NAME TACORA RESOURCES INC.

ONTARIO CORPORATION NO.

04 ADDRESS 199 BAY ST, 5300 COMMERCE COURT W TORONTO ON M5L 1B9

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / SANDVIK CANADA INC.
LIEN CLAIMANT

09 ADDRESS 2550 MEADOWVALE BLVD, UNIT 3 MISSISSAUGA ON L5N 8C2

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

10 X X X YEAR MAKE MODEL V.I.N.

MOTOR

12 VEHICLE

13 GENERAL LESSOR HEREBY AGREES TO LEASE TO LESSEE AND LESSEE AGREES TO LEASE
14 COLLATERAL FROM LESSOR, EACH ITEM OF EQUIPMENT AND OTHER PERSONAL PROPERTY (EACH
15 DESCRIPTION SUCH ITEM, COLLECTIVELY WITH ALL ATTACHMENTS, REPLACEMENTS,
16 REGISTERING NCS UCC SERVICES GROUP

AGENT

17 ADDRESS 729 MINER ROAD HIGHLAND HEIGHTS OH 44143

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

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PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
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RUN NUMBER : 241
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SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

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CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD

01 002 14 20230126 1341 5064 9279

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

04 ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / SANDVIK FINANCIAL SERVICES CANADA
LIEN CLAIMANT

09 ADDRESS 2550 MEADOWVALE BLVD, UNIT 3 MISSISSAUGA ON L5N 8C2

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

10

YEAR MAKE MODEL V.I.N.

11 MOTOR

12 VEHICLE

13 GENERAL IMPROVEMENTS, PARTS, SUBSTITUTIONS, ADDITIONS, REPAIRS, ACCESSIONS

14 COLLATERAL AND ACCESSORIES INCORPORATED THEREIN AND/OR AFFIXED THERETO, AN "ITEM

15 DESCRIPTION OF EQUIPMENT" AND ALL ITEMS OF EQUIPMENT SUBJECT TO THE LEASE,

16 REGISTERING

AGENT

17

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

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ID : 20230829121548.65
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SEARCH CONDUCTED ON : TACORA RESOURCES INC.
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FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

790268553

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD

01 003 14 20230126 1341 5064 9279

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL COLLECTIVELY, THE "EQUIPMENT") DESCRIBED AS SUPPLIER SANDVIK MINING
COLLATERAL AND CONSTRUCTION CANADA, A DIVISION OF SANDVIK CANADA, INC., QTY.
DESCRIPTION ONE (1), EQUIPMENT DESCRIPTION USED 2021 SANDVIK DI650I, SERIAL

REGISTERING
AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

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CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD

01 004 14 20230126 1341 5064 9279

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

04 ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY /
LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

10 YEAR MAKE MODEL V.I.N.

11 MOTOR

12 VEHICLE

13 GENERAL NUMBER 75316. DURING THE TERM, LESSOR SHALL RETAIN TITLE TO THE
14 COLLATERAL EQUIPMENT UNLESS AND UNTIL LESSEE ACQUIRES SUCH EQUIPMENT PURSUANT TO
15 DESCRIPTION THE TERMS HEREOF. LESSEE AND LESSOR INTEND THAT TRANSACTIONS

16 REGISTERING
AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

PROVINCE OF ONTARIO
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PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
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FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

790268553

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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01 005 14 20230126 1341 5064 9279

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

04 ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY /
LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

10 YEAR MAKE MODEL V.I.N.

11 MOTOR

12 VEHICLE

13 GENERAL DOCUMENTED HEREUNDER SHALL CONSTITUTE A "TRUE LEASE" UNDER APPLICABLE
14 COLLATERAL LAW OR GOVERNMENTAL RULE, REGULATION, OR ORDER (COLLECTIVELY,
15 DESCRIPTION "LAW") (INCLUDING UNDER THE PERSONAL PROPERTY SECURITY ACT (ONTARIO),
16 REGISTERING

AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

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PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

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ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

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FILE NUMBER

790268553

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD

01 006 14 20230126 1341 5064 9279

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL THE CIVIL CODE OF QUEBEC OR ANY OTHER APPLICABLE CANADIAN FEDERAL OR
COLLATERAL PROVINCIAL STATUTE PERTAINING TO THE GRANTING, PERFECTING,
DESCRIPTION PUBLICATION, PRIORITY OR RANKING OF SECURITY INTERESTS, LIENS OR

REGISTERING
AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 11

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
RUN DATE : 2023/08/29
ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

790268553

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD

01 007 14 20230126 1341 5064 9279

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL HYPOTHECS ON PROPERTY ("PPSA")), BUT IF ANY COURT OR TRIBUNAL, HAVING
COLLATERAL POWER TO BIND LESSEE OR LESSOR SHOULD CONCLUDE THAT ALL OR PART OF
DESCRIPTION THIS TRANSACTION IS NOT A "TRUE LEASE" BUT IS IN THE NATURE OF A

REGISTERING
AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
RUN DATE : 2023/08/29
ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

790268553

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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01 008 14 20230126 1341 5064 9279

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL FINANCING LEASE, SALE CONSIGNMENT, OR OTHER TRANSACTION, LESSEE AND
COLLATERAL LESSOR INTEND AND LESSEE HEREBY GRANTS TO LESSOR A FIRST PRIORITY
DESCRIPTION SECURITY INTEREST IN THE EQUIPMENT AND ALL PROCEEDS (CASH AND

REGISTERING
AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

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FILE CURRENCY : 28AUG 2023

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790268553

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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01 009 14 20230126 1341 5064 9279

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL NON-CASH) THEREOF, INCLUDING THE PROCEEDS OF ALL INSURANCE POLICIES
COLLATERAL ON THE EQUIPMENT TO SECURE THE PAYMENT OF ALL LESSEE'S INDEBTEDNESS
DESCRIPTION TO LESSOR. LESSOR, AND ANY PARTY DESIGNATED BY LESSOR, IS AUTHORIZED

REGISTERING
AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

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PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

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FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

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790268553

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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01 010 14 20230126 1341 5064 9279

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

04 ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY /
LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

10

YEAR MAKE MODEL V.I.N.

11 MOTOR

12 VEHICLE

13 GENERAL IF PERMITTED BY APPLICABLE LAW TO FILE ONE OR MORE PPSA FINANCING
14 COLLATERAL STATEMENTS, PRECAUTIONARY OR OTHERWISE, AS APPROPRIATE, DISCLOSING
15 DESCRIPTION LESSOR'S OWNERSHIP INTEREST IN THE EQUIPMENT, THE LEASE AND THE SUMS

16 REGISTERING
AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

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TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

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790268553

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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01 011 14 20230126 1341 5064 9279

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

04 ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY /
LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

10 YEAR MAKE MODEL V.I.N.

11 MOTOR

12 VEHICLE

13 GENERAL DUE UNDER THE LEASE, WITHOUT THE SIGNATURE OF LESSEE OR SIGNED BY
14 COLLATERAL LESSOR, OR ANY PARTY DESIGNATED BY LESSOR, AS ATTORNEY-IN-FACT FOR
15 DESCRIPTION LESSEE. LESSEE HEREBY APPOINTS LESSOR (AND ANY OF LESSOR'S OFFICERS,
16 REGISTERING AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
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RUN NUMBER : 241
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CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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01 012 14 20230126 1341 5064 9279

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

04 ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY /
LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

10 YEAR MAKE MODEL V.I.N.

11 MOTOR

12 VEHICLE

13 GENERAL EMPLOYEES, OR AGENTS DESIGNATED BY LESSOR) AS LESSEE'S
14 COLLATERAL ATTORNEY-IN-FACT, (WHICH APPOINTMENT SHALL BE COUPLED WITH AN
15 DESCRIPTION INTEREST), TO DO ALL THINGS NECESSARY TO CARRY OUT THIS SECTION 5.
16 REGISTERING

AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
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01 013 14 20230126 1341 5064 9279

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
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YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL LESSEE WILL PAY ALL COSTS OF FILING ANY FINANCING, CONTINUATION OR
COLLATERAL TERMINATION STATEMENTS WITH RESPECT TO THE LEASE. LESSEE MAY NOT
DESCRIPTION DISPOSE OF ANY OF THE EQUIPMENT EXCEPT TO THE EXTENT EXPRESSLY

REGISTERING
AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

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01 014 14 20230126 1341 5064 9279

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

04 ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY /
LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

10 YEAR MAKE MODEL V.I.N.

11 MOTOR

12 VEHICLE

13 GENERAL PROVIDED HEREIN.

14 COLLATERAL

15 DESCRIPTION

16 REGISTERING

AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
RUN DATE : 2023/08/29
ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

790217793

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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01 01 001 20230125 1032 1462 5835 P PPSA 3

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME TACORA RESOURCES INC

ONTARIO CORPORATION NO.

04 ADDRESS 1 WABUSH MINES RD WABUSH NL AOR1B0

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / KOMATSU INTERNATIONAL (CANADA) INC.
LIEN CLAIMANT

09 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
X X

YEAR MAKE MODEL V.I.N.

11 MOTOR 2019 KOMATSU PC490LC-11, A42062

12 VEHICLE

13 GENERAL ONE ?C490LC-11, EXCAVATOR SHOVEL, SERIAL NUMBER A42062

14 COLLATERAL

15 DESCRIPTION

16 REGISTERING KOMATSU INTERNATIONAL (CANADA) INC.
AGENT

17 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
RUN DATE : 2023/08/29
ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

790217802

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD

01 01 001 20230125 1032 1462 5836 P PPSA 3

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME TACORA RESOURCES INC

ONTARIO CORPORATION NO.

04 ADDRESS 1 WABUSH MINES RD WABUSH NL AOR1B0

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / KOMATSU INTERNATIONAL (CANADA) INC.
LIEN CLAIMANT

09 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
X X

YEAR MAKE MODEL V.I.N.

11 MOTOR 2016 KOMATSU D155AX-8 100024

12 VEHICLE

13 GENERAL ONE KOMATSU D155AX-8, CRAWLER DOZER, MULTI SHANK RIPPER, SIGMA DOZER

14 COLLATERAL BLADE, SERIAL NUMBER 100024

15 DESCRIPTION

16 REGISTERING KOMATSU INTERNATIONAL (CANADA) INC.
AGENT

17 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
RUN DATE : 2023/08/29
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TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

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790217811

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME TACORA RESOURCES INC

ONTARIO CORPORATION NO.

04 ADDRESS 1 WABUSH MINES RD WABUSH NL AOR1B0

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / KOMATSU INTERNATIONAL (CANADA) INC.
LIEN CLAIMANT

09 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
X X

YEAR MAKE MODEL V.I.N.

11 MOTOR 2017 KOMATSU D155AX-8 100100

12 VEHICLE

13 GENERAL ONE KOMATSU D155AC-8, CRAWLER DOZER, SERIAL NUMBER 100100

14 COLLATERAL

15 DESCRIPTION

16 REGISTERING KOMATSU INTERNATIONAL (CANADA) INC.
AGENT

17 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

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SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

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790217829

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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01 01 001 20230125 1032 1462 5838 P PPSA 3

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME TACORA RESOURCES INC

ONTARIO CORPORATION NO.

04 ADDRESS 1 WABUSH MINES RD WABUSH NL AOR1B0

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

08 SECURED PARTY / KOMATSU INTERNATIONAL (CANADA) INC.
LIEN CLAIMANT

09 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
X X

10

YEAR MAKE MODEL V.I.N.

11 MOTOR 2019 KOMATSU D375A-8 80039

12 VEHICLE

13 GENERAL ONE KOMATSU D375A-8, SEMI U HD DUAL TILT BLADE, GIANT VARIABLE

14 COLLATERAL RIPPER, SERIAL NUMBER 80039

15 DESCRIPTION

16 REGISTERING KOMATSU INTERNATIONAL (CANADA) INC.
AGENT

17

ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

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PROVINCE OF ONTARIO
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ENQUIRY SEARCH RESPONSE

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RUN DATE : 2023/08/29
ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

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790217838

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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01 01 001 20230125 1032 1462 5839 P PPSA 3

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME TACORA RESOURCES INC

ONTARIO CORPORATION NO.

04 ADDRESS 1 WABUSH MINES RD WABUSH NL AOR1B0

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / KOMATSU INTERNATIONAL (CANADA) INC.
LIEN CLAIMANT

09 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
X X

YEAR MAKE MODEL V.I.N.

11 MOTOR 2019 KOMATSU D375A-8 80040

12 VEHICLE

13 GENERAL ONE KOMATSU D375A-8, SEMI U HD DUAL TILT BLADE, GIANT VARIABLE

14 COLLATERAL RIPPER, SERIAL NUMBER 80040

15 DESCRIPTION

16 REGISTERING KOMATSU INTERNATIONAL (CANADA) INC.
AGENT

17 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
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TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

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790217847

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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01 01 001 20230125 1032 1462 5840 P PPSA 3

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

03 NAME BUSINESS NAME TACORA RESOURCES INC

ONTARIO CORPORATION NO.

04 ADDRESS 1 WABUSH MINES RD WABUSH NL AOR1B0

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / KOMATSU INTERNATIONAL (CANADA) INC.
LIEN CLAIMANT

09 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
X X

11 YEAR MAKE MODEL V.I.N.
MOTOR 2018 KOMATSU 830E-5 A50020

12 VEHICLE
13 GENERAL ONE KOMATSU 830E-5, ELECTRIC TRUCK, SERIAL NUMBER A50020

14 COLLATERAL
15 DESCRIPTION

16 REGISTERING KOMATSU INTERNATIONAL (CANADA) INC.
AGENT

17 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
RUN DATE : 2023/08/29
ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

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790217856

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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01 01 001 20230125 1032 1462 5841 P PPSA 3

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR
03 NAME BUSINESS NAME TACORA RESOURCES INC

04 ADDRESS 1 WABUSH MINES RD WABUSH ONTARIO CORPORATION NO.
NL AOR1B0
DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR
06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / KOMATSU INTERNATIONAL (CANADA) INC.
LIEN CLAIMANT

09 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
X X

10 YEAR MAKE MODEL V.I.N.
11 MOTOR 2018 KOMATSU 830E-5 A50021

12 VEHICLE
13 GENERAL ONE KOMATSU 830E-5, ELECTRIC TRUCK, SERIAL NUMBER A50021

14 COLLATERAL
15 DESCRIPTION
16 REGISTERING KOMATSU INTERNATIONAL (CANADA) INC.
AGENT

17 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
RUN DATE : 2023/08/29
ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

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CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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01 01 001 20230125 1032 1462 5842 P PPSA 3

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

03 NAME BUSINESS NAME TACORA RESOURCES INC

ONTARIO CORPORATION NO.

04 ADDRESS 1 WABUSH MINES RD WABUSH NL A0R1B0

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / KOMATSU INTERNATIONAL (CANADA) INC.
LIEN CLAIMANT

09 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
X X

YEAR MAKE MODEL V.I.N.

11 MOTOR 2019 KOMATSU PC490LC-11 A42147

VEHICLE

13 GENERAL ONE KOMATSU PC490LC-11, EXCAVATOR SHOVEL, G4000 HYD, QUICK COUPLER,

14 COLLATERAL DIG BUCKET XHD(5 KMAX TEETH) 3.00 CY/54", DITCH BUCKET W/BOCE

15 DESCRIPTION 3.63CY/78", ANSUL FSS, LINCOLN CENTROMATIC, SERIAL NUMBER A42147

16 REGISTERING KOMATSU INTERNATIONAL (CANADA) INC.
AGENT

17 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
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ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER
790217874

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01 01 001 20230125 1032 1462 5843 P PPSA 3

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME TACORA RESOURCES INC

04 ADDRESS 1 WABUSH MINES RD WABUSH ONTARIO CORPORATION NO.
NL A0R1B0
05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME ONTARIO CORPORATION NO.

07 ADDRESS
08 SECURED PARTY / KOMATSU INTERNATIONAL (CANADA) INC.
LIEN CLAIMANT

09 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4
COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
10 X X

11 MOTOR YEAR MAKE MODEL V.I.N.
2018 KOMATSU 830E-5 A50023

12 VEHICLE
13 GENERAL ONE KOMATSU 830E-5, ELECTRIC TRUCK, SERIAL NUMBER A50023

14 COLLATERAL
15 DESCRIPTION
16 REGISTERING KOMATSU INTERNATIONAL (CANADA) INC.
AGENT

17 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4
*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
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FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

790217883

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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01 01 001 20230125 1032 1462 5844 P PPSA 3

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME TACORA RESOURCES INC

ONTARIO CORPORATION NO.

04 ADDRESS 1 WABUSH MINES RD WABUSH NL AOR1B0

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / KOMATSU INTERNATIONAL (CANADA) INC.
LIEN CLAIMANT

09 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
X X

YEAR MAKE MODEL V.I.N.

11 MOTOR 2018 KOMATSU 830E-5 A50027

12 VEHICLE

13 GENERAL ONE KOMATSU 830E-5, ELECTRIC TRUCK, SERIAL NUMBER A50027

14 COLLATERAL

15 DESCRIPTION

16 REGISTERING KOMATSU INTERNATIONAL (CANADA) INC.
AGENT

17 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
RUN DATE : 2023/08/29
ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

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790217892

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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01 01 001 20230125 1032 1462 5845 P PPSA 3

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME TACORA RESOURCES INC

04 ADDRESS 1 WABUSH MINES RD WABUSH ONTARIO CORPORATION NO. NL AOR1B0

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

07 ADDRESS ONTARIO CORPORATION NO.

08 SECURED PARTY / KOMATSU INTERNATIONAL (CANADA) INC.

LIEN CLAIMANT

09 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
X X

10

YEAR MAKE MODEL V.I.N.

11 MOTOR 2019 KOMATSU D155AX-8 100383

12 VEHICLE

13 GENERAL ONE KOMATSU D155AX-8, CRAWLER DOZER, ANSUL FSS, SERIAL NUMBER 100383

14 COLLATERAL

15 DESCRIPTION

16 REGISTERING KOMATSU INTERNATIONAL (CANADA) INC.

AGENT

17 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
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ENQUIRY SEARCH RESPONSE

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790217901

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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01 01 001 20230125 1032 1462 5846 P PPSA 3

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

03 NAME BUSINESS NAME TACORA RESOURCES INC

ONTARIO CORPORATION NO.

04 ADDRESS 1 WABUSH MINES RD WABUSH NL AOR1B0

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / KOMATSU INTERNATIONAL (CANADA) INC.
LIEN CLAIMANT

09 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
X X

11 YEAR MAKE MODEL V.I.N.
MOTOR 2018 KOMATSU 830E-5 A50044

12 VEHICLE
13 GENERAL ONE KOMATSU 830E-5, ELECTRIC TRUCK, SERIAL NUMBER A50044

14 COLLATERAL
15 DESCRIPTION
16 REGISTERING KOMATSU INTERNATIONAL (CANADA) INC.
AGENT

17 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
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ENQUIRY SEARCH RESPONSE

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ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

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FILE NUMBER

790230987

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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01 01 001 20230125 1404 1462 6058 P PPSA 3

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

03 NAME BUSINESS NAME TACORA RESOURCES INC

ONTARIO CORPORATION NO.

04 ADDRESS 1 WABUSH MINES RD WABUSH NL AOR1B0

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / KOMATSU INTERNATIONAL (CANADA) INC.
LIEN CLAIMANT

09 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
X X

YEAR MAKE MODEL V.I.N.

11 MOTOR 2019 KOMATSU 830E-5 A50045

12 VEHICLE

13 GENERAL ONE KOMATSU 830E-5, ELECTRIC TRUCK, SERIAL NUMBER A50045

14 COLLATERAL

15 DESCRIPTION

16 REGISTERING KOMATSU INTERNATIONAL (CANADA) INC.
AGENT

17 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
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TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
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790230996

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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01 01 001 20230125 1404 1462 6059 P PPSA 3

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

03 NAME BUSINESS NAME TACORA RESOURCES INC

ONTARIO CORPORATION NO.

04 ADDRESS 1 WABUSH MINES RD WABUSH NL AOR1B0

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / KOMATSU INTERNATIONAL (CANADA) INC.
LIEN CLAIMANT

09 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
X X

11 YEAR MAKE MODEL V.I.N.
MOTOR 2019 KOMATSU 830E-5 A50046

12 VEHICLE
13 GENERAL ONE KOMATSU 830E-5, ELECTRIC TRUCK, SERIAL NUMBER A50046

14 COLLATERAL
15 DESCRIPTION
16 REGISTERING KOMATSU INTERNATIONAL (CANADA) INC.
AGENT

17 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
RUN DATE : 2023/08/29
ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

790231005

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD

01 01 001 20230125 1404 1462 6060 P PPSA 3

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

03 NAME BUSINESS NAME TACORA RESOURCES INC

ONTARIO CORPORATION NO.

04 ADDRESS 1 WABUSH MINES RD WABUSH NL AOR1B0

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / KOMATSU INTERNATIONAL (CANADA) INC.
LIEN CLAIMANT

09 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
X X

11 YEAR MAKE MODEL V.I.N.

12 2019 KOMATSU 830E-5 A50052

13 GENERAL ONE KOMATSU 830E-5, ELECTRIC TRUCK, SERIAL NUMABER A50052
14 COLLATERAL

15 DESCRIPTION

16 REGISTERING KOMATSU INTERNATIONAL (CANADA) INC.
AGENT

17 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
RUN DATE : 2023/08/29
ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

790231014

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD

01 01 001 20230125 1404 1462 6061 P PPSA 3

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME TACORA RESOURCES INC

04 ADDRESS 1 WABUSH MINES RD WABUSH ONTARIO CORPORATION NO.
NL AOR1B0

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

07 ADDRESS ONTARIO CORPORATION NO.

08 SECURED PARTY / KOMATSU INTERNATIONAL (CANADA) INC.
LIEN CLAIMANT

09 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
X X

10 YEAR MAKE MODEL V.I.N.

11 MOTOR 2019 KOMATSU 830E-5 A50051

12 VEHICLE

13 GENERAL ONE KOMATSU 830E-5, ELECTRIC TRUCK, SERIAL NUMBER A50051

14 COLLATERAL

15 DESCRIPTION

16 REGISTERING KOMATSU INTERNATIONAL (CANADA) INC.
AGENT

17 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
 MINISTRY OF GOVERNMENT SERVICES
 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
 ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
 RUN DATE : 2023/08/29
 ID : 20230829121548.65
 TYPE OF SEARCH : BUSINESS DEBTOR
 SEARCH CONDUCTED ON : TACORA RESOURCES INC.
 FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

790231023

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CAUTION FILING	PAGE NO.	TOTAL OF PAGES	MOTOR VEHICLE SCHEDULE	REGISTRATION NUMBER	REGISTERED UNDER	REGISTRATION PERIOD
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01

01	01	001		20230125 1404 1462 6062	P PPSA	3
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02

DEBTOR

03

NAME BUSINESS NAME TACORA RESOURCES INC

04

ADDRESS	1 WABUSH MINES RD	WABUSH	ONTARIO CORPORATION NO.
DATE OF BIRTH	FIRST GIVEN NAME	INITIAL	SURNAME
			NL AOR1B0

05

DEBTOR

06

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07

ADDRESS

08

SECURED PARTY / LIEN CLAIMANT KOMATSU INTERNATIONAL (CANADA) INC.

09

ADDRESS	3755 BOUL MATTE SUITE E	BROSSARD	QC	J4Y2P4
---------	-------------------------	----------	----	--------

COLLATERAL CLASSIFICATION

CONSUMER GOODS	INVENTORY	EQUIPMENT	ACCOUNTS OTHER	MOTOR VEHICLE INCLUDED	AMOUNT	DATE OF MATURITY	OR	NO FIXED MATURITY DATE
		X						X

10

YEAR MAKE	MODEL	V.I.N.
2019 KOMATSU	830E-5	A50053

11

MOTOR

12

VEHICLE

13

GENERAL ONE KOMATSU 830E-5, ELECTRIC TRUCK, SERIAL NUMBER A50053

14

COLLATERAL

15

DESCRIPTION

16

REGISTERING AGENT KOMATSU INTERNATIONAL (CANADA) INC.

17

ADDRESS	3755 BOUL MATTE SUITE E	BROSSARD	QC	J4Y2P4
---------	-------------------------	----------	----	--------

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
RUN DATE : 2023/08/29
ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

790231032

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD

01 01 001 20230125 1404 1462 6063 P PPSA 3

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME TACORA RESOURCES INC

ONTARIO CORPORATION NO.

04 ADDRESS 1 WABUSH MINES RD WABUSH NL AOR1B0

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / KOMATSU INTERNATIONAL (CANADA) INC.
LIEN CLAIMANT

09 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
X X

10

YEAR MAKE MODEL V.I.N.

11 MOTOR 2019 OTHER MODULAR P00160

12 VEHICLE

13 GENERAL MODULAR MINING SYSTEMS DISPATCH SOLUTION, SOLUTIONS HARDWARE,

14 COLLATERAL MODULAR MINING LICENSES DISPATCH, PROVISION, AND INTELLIMINE

15 DESCRIPTION LICENSE, S/N P00160

16 REGISTERING KOMATSU INTERNATIONAL (CANADA) INC.

AGENT

17 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
RUN DATE : 2023/08/29
ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

790231041

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD

01 01 001 20230125 1404 1462 6064 P PPSA 3

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

03 NAME BUSINESS NAME TACORA RESOURCES INC

ONTARIO CORPORATION NO.

04 ADDRESS 1 WABUSH MINES RD WABUSH NL AOR1B0

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / KOMATSU INTERNATIONAL (CANADA) INC.
LIEN CLAIMANT

09 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
X X

YEAR MAKE MODEL V.I.N.

11 MOTOR 2016 KOMATSU HM400-5 10095

12 VEHICLE

13 GENERAL ONE KOMATSU HM400-5, ARTICULATED TRUCK, MEGA FUEL TANK, S/N 19-

14 COLLATERAL 87124, SERIAL NUMBER 10095

15 DESCRIPTION

16 REGISTERING KOMATSU INTERNATIONAL (CANADA) INC.
AGENT

17 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
RUN DATE : 2023/08/29
ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

790231059

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD

01 01 001 20230125 1404 1462 6065 P PPSA 4

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME TACORA RESOURCES INC

04 ADDRESS 1 WABUSH MINES RD WABUSH ONTARIO CORPORATION NO. NL AOR1B0

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

08 SECURED PARTY / KOMATSU INTERNATIONAL (CANADA) INC.
LIEN CLAIMANT

09 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
X X

YEAR MAKE MODEL V.I.N.

11 MOTOR 2019 KOMATSU D375A-8 80070

12 VEHICLE
13 GENERAL ONE KOMATSU D375A-8, CRAWLER DOZER, SERIAL NUMBER 80070

14 COLLATERAL
15 DESCRIPTION
16 REGISTERING KOMATSU INTERNATIONAL (CANADA) INC.
AGENT

17 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
RUN DATE : 2023/08/29
ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

790231068

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD

01 01 001 20230125 1404 1462 6066 P PPSA 4

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME TACORA RESOURCES INC

04 ADDRESS 1 WABUSH MINES RD WABUSH ONTARIO CORPORATION NO. NL AOR1B0

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

07 ADDRESS ONTARIO CORPORATION NO.

08 SECURED PARTY / KOMATSU INTERNATIONAL (CANADA) INC.
LIEN CLAIMANT

09 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
X X

10 YEAR MAKE MODEL V.I.N.

11 MOTOR 2020 KOMATSU HD785-8 50022

12 VEHICLE

13 GENERAL ONE KOMATSU HD785-8, RIGID HAUL TRUCK, SERIAL NUMBER A50022

14 COLLATERAL

15 DESCRIPTION

16 REGISTERING KOMATSU INTERNATIONAL (CANADA) INC.
AGENT

17 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
RUN DATE : 2023/08/29
ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

790231077

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD

01 01 001 20230125 1404 1462 6067 P PPSA 4

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME TACORA RESOURCES INC

04 ADDRESS 1 WABUSH MINES RD WABUSH ONTARIO CORPORATION NO. NL AOR1B0

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

08 SECURED PARTY / KOMATSU INTERNATIONAL (CANADA) INC.
LIEN CLAIMANT

09 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
X X

YEAR MAKE MODEL V.I.N.

11 MOTOR 2020 KOMATSU HD785-8 50038

12 VEHICLE

13 GENERAL ONE KOMATSU HD785-8, RIGID HAUL TRUCK, SERIAL NUMBER A50038

14 COLLATERAL

15 DESCRIPTION

16 REGISTERING KOMATSU INTERNATIONAL (CANADA) INC.
AGENT

17 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
RUN DATE : 2023/08/29
ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

790231086

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD

01 01 001 20230125 1404 1462 6068 P PPSA 4

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME TACORA RESOURCES INC

ONTARIO CORPORATION NO.

04 ADDRESS 1 WABUSH MINES RD WABUSH NL AOR1B0

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / KOMATSU INTERNATIONAL (CANADA) INC.
LIEN CLAIMANT

09 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
X X

YEAR MAKE MODEL V.I.N.

11 MOTOR 2020 KOMATSU WA900-8 90023

12 VEHICLE

13 GENERAL ONE KOMATSU WA900-8, WHEEL LOADER, SERIAL NUMBER 90023

14 COLLATERAL

15 DESCRIPTION

16 REGISTERING KOMATSU INTERNATIONAL (CANADA) INC.
AGENT

17 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
RUN DATE : 2023/08/29
ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

790231095

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD

01 01 001 20230125 1404 1462 6069 P PPSA 5

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

03 NAME BUSINESS NAME TACORA RESOURCES INC

ONTARIO CORPORATION NO.

04 ADDRESS 1 WABUSH MINES RD WABUSH NL AOR1B0

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / KOMATSU INTERNATIONAL (CANADA) INC.
LIEN CLAIMANT

09 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
X X

11 YEAR MAKE MODEL V.I.N.
MOTOR 2021 KOMATSU 830E-5 A50124

12 VEHICLE
13 GENERAL ONE KOMATSU 830E-5, ELECTRIC TRUCK, SERIAL NUMBER A50124

14 COLLATERAL
15 DESCRIPTION
16 REGISTERING KOMATSU INTERNATIONAL (CANADA) INC.
AGENT

17 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
RUN DATE : 2023/08/29
ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

790231104

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD

01 01 001 20230125 1404 1462 6070 P PPSA 5

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

03 NAME BUSINESS NAME TACORA RESOURCES INC

ONTARIO CORPORATION NO.

04 ADDRESS 1 WABUSH MINES RD WABUSH NL AOR1B0

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / KOMATSU INTERNATIONAL (CANADA) INC.
LIEN CLAIMANT

09 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
X X

YEAR MAKE MODEL V.I.N.

11 MOTOR 2021 KOMATSU 830E-5 A50123

12 VEHICLE

13 GENERAL ONE KOMATSU 830E-5, ELECTRIC TRUCK, SERIAL NUMBER A50123

14 COLLATERAL

15 DESCRIPTION

16 REGISTERING KOMATSU INTERNATIONAL (CANADA) INC.
AGENT

17 ADDRESS 3755 BOUL MATTE SUITE E BROSSARD QC J4Y2P4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
RUN DATE : 2023/08/29
ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

790147062

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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01 001 18 20230123 1036 5064 5622 P PPSA 05

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

03 NAME BUSINESS NAME TACORA RESOURCES INC.

ONTARIO CORPORATION NO.

04 ADDRESS 199 BAY ST, 5300 COMMERCE COURT W TORONTO ON M5L 1B9

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / SANDVIK CANADA INC.

LIEN CLAIMANT

09 ADDRESS 2550 MEADOWVALE BLVD, UNIT 3 MISSISSAUGA ON L5N 8C2

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

10 X X X V.I.N.
YEAR MAKE MODEL

MOTOR

VEHICLE

13 GENERAL LESSOR HEREBY AGREES TO LEASE TO LESSEE AND LESSEE AGREES TO LEASE

14 COLLATERAL FROM LESSOR, EACH ITEM OF EQUIPMENT, DESCRIBED AS SUPPLIER

15 DESCRIPTION AGGREGATE EQUIPMENT (ATLANTIC) LIMITED, QTY. ONE (1), EQUIPMENT

16 REGISTERING NCS UCC SERVICES GROUP

AGENT

17 ADDRESS 729 MINER ROAD HIGHLAND HEIGHTS OH 44143

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

REPORT : PSSR060
PAGE : 45

RUN NUMBER : 241
RUN DATE : 2023/08/29
ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

790147062

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD

01 002 18 20230123 1036 5064 5622

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

08 SECURED PARTY / SANDVIK FINANCIAL SERVICES CANADA
LIEN CLAIMANT

09 ADDRESS 2550 MEADOWVALE BLVD, UNIT 3 MISSISSAUGA ON L5N 8C2

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

10 YEAR MAKE MODEL V.I.N.

11 MOTOR

12 VEHICLE

13 GENERAL DESCRIPTION 2021 SANDVIK QA451, SERIAL NUMBER QA451-10159, AND

14 COLLATERAL OTHER PERSONAL PROPERTY (EACH SUCH ITEM, COLLECTIVELY WITH ALL

15 DESCRIPTION ATTACHMENTS, REPLACEMENTS, IMPROVEMENTS, PARTS, SUBSTITUTIONS,

16 REGISTERING

AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

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PROVINCE OF ONTARIO
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ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
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ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

790147062

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD

01 003 18 20230123 1036 5064 5622

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR
VEHICLE
GENERAL ADDITIONS, REPAIRS, ACCESSIONS AND ACCESSORIES INCORPORATED THEREIN
COLLATERAL AND/OR AFFIXED THERETO, AN "ITEM OF EQUIPMENT" AND ALL ITEMS OF
DESCRIPTION EQUIPMENT SUBJECT TO THE LEASE, COLLECTIVELY, THE "EQUIPMENT")
REGISTERING
AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
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SEARCH CONDUCTED ON : TACORA RESOURCES INC.
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01 004 18 20230123 1036 5064 5622

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

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ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL DESCRIBED ON ANY EQUIPMENT SCHEDULE (EACH, AN "EQUIPMENT SCHEDULE")
COLLATERAL THAT INCORPORATES THE LEASE BY REFERENCE. EACH EQUIPMENT SCHEDULE
DESCRIPTION SHALL BE SUBSTANTIALLY IN THE FORM OF ANNEX B. EACH ITEM OF

REGISTERING
AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
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01 005 18 20230123 1036 5064 5622

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

04 ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY /
LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER MOTOR VEHICLE INCLUDED AMOUNT DATE OF MATURITY OR NO FIXED MATURITY DATE

10

YEAR MAKE MODEL V.I.N.

11 MOTOR

12 VEHICLE

13 GENERAL EQUIPMENT SHALL BE LEASED PURSUANT TO AND BECOME SUBJECT TO THE LEASE

14 COLLATERAL UPON EXECUTION AND DELIVERY OF THE APPLICABLE EQUIPMENT SCHEDULE.

15 DESCRIPTION DURING THE TERM AND UNTIL LESSEE ACQUIRES SUCH EQUIPMENT PURSUANT TO

16 REGISTERING

AGENT

17

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

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01 006 18 20230123 1036 5064 5622

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

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DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY / LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER MOTOR VEHICLE INCLUDED AMOUNT DATE OF MATURITY OR NO FIXED MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL THE TERMS OF THE LEASE, LESSOR SHALL RETAIN TITLE TO SUCH EQUIPMENT

COLLATERAL AND ALL DOCUMENTS OF TITLE AND EVIDENCES OF DELIVERY SHALL BE

DESCRIPTION DELIVERED TO LESSOR PROVIDED, HOWEVER, THAT LESSEE AND LESSOR

REGISTERING

AGENT

ADDRESS

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01 007 18 20230123 1036 5064 5622

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SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL ACKNOWLEDGE THAT TRANSACTIONS DOCUMENTED HEREUNDER SHALL NOT
COLLATERAL CONSTITUTE A "LEASE" OR A "TRUE LEASE," AND INSTEAD SHALL CONSTITUTE
DESCRIPTION A "SECURITY INTEREST" OR A "PURCHASE-MONEY SECURITY INTEREST", AS THE
REGISTERING
AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

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01 008 18 20230123 1036 5064 5622

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

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ONTARIO CORPORATION NO.

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ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL CASE MAY BE, UNDER APPLICABLE LAW OR GOVERNMENTAL RULE, REGULATION,
COLLATERAL OR ORDER (COLLECTIVELY, "LAW") (INCLUDING UNDER THE PERSONAL PROPERTY
DESCRIPTION SECURITY ACT (ONTARIO), THE CIVIL CODE OF QUEBEC OR ANY OTHER

REGISTERING
AGENT

ADDRESS

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01 009 18 20230123 1036 5064 5622

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

04 ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY /
LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

10 YEAR MAKE MODEL V.I.N.

11 MOTOR

12 VEHICLE

13 GENERAL APPLICABLE CANADIAN FEDERAL OR PROVINCIAL STATUTE PERTAINING TO THE
14 COLLATERAL GRANTING, PERFECTING, PUBLICATION, PRIORITY OR RANKING OF SECURITY
15 DESCRIPTION INTERESTS, LIENS OR HYPOTHECS ON PROPERTY ("PPSA"), AND LESSOR AND
16 REGISTERING

AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

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CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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01 010 18 20230123 1036 5064 5622

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

04 ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

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07 ADDRESS

08 SECURED PARTY /
LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

10

YEAR MAKE MODEL V.I.N.

11 MOTOR

12 VEHICLE

13 GENERAL LESSEE AGREE THAT FOR CANADIAN FEDERAL, PROVINCIAL AND LOCAL INCOME

14 COLLATERAL AND FRANCHISE TAX PURPOSES, IT IS INTENDED THAT LESSEE SHALL BE

15 DESCRIPTION TREATED AS THE OWNER OF THE EQUIPMENT. IN FURTHERANCE THEREOF, IN

16 REGISTERING

AGENT

17

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
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01 011 18 20230123 1036 5064 5622

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL ORDER TO SECURE THE PROMPT PAYMENT AND PERFORMANCE AS AND WHEN DUE OF
COLLATERAL ALL OF LESSEE'S OBLIGATIONS HEREUNDER, LESSEE HEREBY GRANTS TO
DESCRIPTION LESSOR A FIRST PRIORITY SECURITY INTEREST IN, AND ASSIGNS, MORTGAGES,
REGISTERING
AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

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01 012 18 20230123 1036 5064 5622

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL CHARGES, HYPOTHECATES AND PLEDGES TO LESSOR, THE EQUIPMENT AND ALL
COLLATERAL PROCEEDS INCLUDING THE PROCEEDS OF SUCH PROCEEDS (CASH AND NON-CASH)
DESCRIPTION THEREOF, INCLUDING THE PROCEEDS OF ALL INSURANCE POLICIES ON THE

REGISTERING
AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
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ENQUIRY SEARCH RESPONSE

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01 013 18 20230123 1036 5064 5622

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ADDRESS

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ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
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YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL EQUIPMENT. LESSEE AGREES THAT, WITH RESPECT TO THE EQUIPMENT, LESSOR
COLLATERAL SHALL HAVE ALL OF THE RIGHTS AND REMEDIES OF A PERFECTED FIRST
DESCRIPTION PRIORITY SECURED PARTY UNDER THE PPSA AND LESSOR MAY ENFORCE SUCH

REGISTERING
AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
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01 014 18 20230123 1036 5064 5622

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

04 ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY /
LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

10 YEAR MAKE MODEL V.I.N.

11 MOTOR

12 VEHICLE

13 GENERAL RIGHTS AND REMEDIES BY APPOINTMENT BY INSTRUMENT IN WRITING OF A
14 COLLATERAL RECEIVER (WHICH TERM AS USED IN THIS LEASE INCLUDES A RECEIVER AND
15 DESCRIPTION MANAGER) OR AGENT OF ALL OR ANY PART OF THE EQUIPMENT AND REMOVAL OR
16 REGISTERING
AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
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DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

02 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

03 ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

04 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

05 ADDRESS

06 SECURED PARTY /
LIEN CLAIMANT

07 ADDRESS

08 COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

09 YEAR MAKE MODEL V.I.N.

MOTOR

10 VEHICLE

11 GENERAL REPLACEMENT FROM TIME TO TIME OF ANY RECEIVER OR AGENT. LESSOR IS
12 COLLATERAL HEREBY AUTHORIZED BY LESSEE, AT LESSEE'S EXPENSE, TO CAUSE THE LEASE
13 DESCRIPTION OR ANY FINANCING STATEMENT OR OTHER INSTRUMENT IN RESPECT OF THE
14 REGISTERING

15 AGENT

16 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
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01 016 18 20230123 1036 5064 5622

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

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COLLATERAL CLASSIFICATION

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YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL LEASE SHOWING THE INTEREST OF LESSOR IN THE EQUIPMENT TO BE FILED OR
COLLATERAL RECORDED AND LESSEE HEREBY AUTHORIZES LESSOR TO FILE SUCH FINANCING
DESCRIPTION STATEMENT WITHOUT LESSEE'S SIGNATURE AND, IF A SIGNATURE IS REQUIRED

REGISTERING

AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

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PROVINCE OF ONTARIO
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YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL BY LAW, LESSEE APPOINTS LESSOR AS LESSEE'S ATTORNEY IN FACT TO
COLLATERAL EXECUTE SUCH FINANCING STATEMENTS AND OTHER INSTRUMENTS, AND LESSEE
DESCRIPTION FURTHER AGREES, IF NECESSARY, TO EXECUTE AND DELIVER ANY STATEMENT OR
REGISTERING
AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

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PROVINCE OF ONTARIO
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YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL INSTRUMENT REQUESTED BY LESSOR FOR SUCH PURPOSE. LESSEE MAY NOT

COLLATERAL DISPOSE OF ANY OF THE EQUIPMENT EXCEPT TO THE EXTENT EXPRESSLY

DESCRIPTION PROVIDED HEREIN.

REGISTERING

AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
RUN DATE : 2023/08/29
ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

790147098

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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01 001 18 20230123 1038 5064 5624 P PPSA 05

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

03 NAME BUSINESS NAME TACORA RESOURCES INC.

ONTARIO CORPORATION NO.

04 ADDRESS 199 BAY ST, 5300 COMMERCE COURT W TORONTO ON M5L 1B9

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / SANDVIK CANADA INC.
LIEN CLAIMANT

09 ADDRESS 2550 MEADOWVALE BLVD, UNIT 3 MISSISSAUGA ON L5N 8C2

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

10 X X X YEAR MAKE MODEL V.I.N.

MOTOR

12 VEHICLE

13 GENERAL LESSOR HEREBY AGREES TO LEASE TO LESSEE AND LESSEE AGREES TO LEASE

14 COLLATERAL FROM LESSOR, EACH ITEM OF EQUIPMENT, DESCRIBED AS SUPPLIER

15 DESCRIPTION AGGREGATE EQUIPMENT (ATLANTIC) LIMITED, QTY. ONE (1), EQUIPMENT

16 REGISTERING NCS UCC SERVICES GROUP

AGENT

17 ADDRESS 729 MINER ROAD HIGHLAND HEIGHTS OH 44143

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
RUN DATE : 2023/08/29
ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
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790147098

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01 002 18 20230123 1038 5064 5624

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

04 ADDRESS

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT SANDVIK FINANCIAL SERVICES CANADA

09 ADDRESS 2550 MEADOWVALE BLVD, UNIT 3 MISSISSAUGA ON L5N 8C2

COLLATERAL CLASSIFICATION

CONSUMER GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER MOTOR VEHICLE INCLUDED AMOUNT DATE OF MATURITY OR NO FIXED MATURITY DATE

10 YEAR MAKE MODEL V.I.N.

11 MOTOR VEHICLE DESCRIPTION 2019 SANDVIK QH332, SERIAL NUMBER QH332-10020, AND
12 GENERAL COLLATERAL OTHER PERSONAL PROPERTY (EACH SUCH ITEM, COLLECTIVELY WITH ALL
13 DESCRIPTION ATTACHMENTS, REPLACEMENTS, IMPROVEMENTS, PARTS, SUBSTITUTIONS,
14 REGISTERING AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
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ENQUIRY SEARCH RESPONSE

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ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

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CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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01 003 18 20230123 1038 5064 5624

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL ADDITIONS, REPAIRS, ACCESSIONS AND ACCESSORIES INCORPORATED THEREIN
COLLATERAL AND/OR AFFIXED THERETO, AN "ITEM OF EQUIPMENT" AND ALL ITEMS OF
DESCRIPTION EQUIPMENT SUBJECT TO THE LEASE, COLLECTIVELY, THE "EQUIPMENT")

REGISTERING
AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

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PROVINCE OF ONTARIO
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01 004 18 20230123 1038 5064 5624

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL DESCRIBED ON ANY EQUIPMENT SCHEDULE (EACH, AN "EQUIPMENT SCHEDULE")
COLLATERAL THAT INCORPORATES THE LEASE BY REFERENCE. EACH EQUIPMENT SCHEDULE
DESCRIPTION SHALL BE SUBSTANTIALLY IN THE FORM OF ANNEX B. EACH ITEM OF

REGISTERING
AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

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PROVINCE OF ONTARIO
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FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

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01 005 18 20230123 1038 5064 5624

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL EQUIPMENT SHALL BE LEASED PURSUANT TO AND BECOME SUBJECT TO THE LEASE
COLLATERAL UPON EXECUTION AND DELIVERY OF THE APPLICABLE EQUIPMENT SCHEDULE.
DESCRIPTION DURING THE TERM AND UNTIL LESSEE ACQUIRES SUCH EQUIPMENT PURSUANT TO

REGISTERING
AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

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PROVINCE OF ONTARIO
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ENQUIRY SEARCH RESPONSE

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ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

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CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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01 006 18 20230123 1038 5064 5624

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL THE TERMS OF THE LEASE, LESSOR SHALL RETAIN TITLE TO SUCH EQUIPMENT

COLLATERAL AND ALL DOCUMENTS OF TITLE AND EVIDENCES OF DELIVERY SHALL BE

DESCRIPTION DELIVERED TO LESSOR PROVIDED, HOWEVER, THAT LESSEE AND LESSOR

REGISTERING

AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
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SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

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01 007 18 20230123 1038 5064 5624

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL ACKNOWLEDGE THAT TRANSACTIONS DOCUMENTED HEREUNDER SHALL NOT
COLLATERAL CONSTITUTE A "LEASE" OR A "TRUE LEASE," AND INSTEAD SHALL CONSTITUTE
DESCRIPTION A "SECURITY INTEREST" OR A "PURCHASE-MONEY SECURITY INTEREST", AS THE
REGISTERING
AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
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01 008 18 20230123 1038 5064 5624

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL CASE MAY BE, UNDER APPLICABLE LAW OR GOVERNMENTAL RULE, REGULATION,
COLLATERAL OR ORDER (COLLECTIVELY, "LAW") (INCLUDING UNDER THE PERSONAL PROPERTY
DESCRIPTION SECURITY ACT (ONTARIO), THE CIVIL CODE OF QUEBEC OR ANY OTHER

REGISTERING
AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

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PROVINCE OF ONTARIO
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01 009 18 20230123 1038 5064 5624

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY / LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER MOTOR VEHICLE INCLUDED AMOUNT DATE OF MATURITY OR NO FIXED MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL COLLATERAL DESCRIPTION REGISTERING AGENT APPLICABLE CANADIAN FEDERAL OR PROVINCIAL STATUTE PERTAINING TO THE GRANTING, PERFECTING, PUBLICATION, PRIORITY OR RANKING OF SECURITY INTERESTS, LIENS OR HYPOTHECS ON PROPERTY ("PPSA"), AND LESSOR AND

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

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TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
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CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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01 010 18 20230123 1038 5064 5624

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

04 ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY /
LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

10 YEAR MAKE MODEL V.I.N.

11 MOTOR

12 VEHICLE

13 GENERAL LESSEE AGREE THAT FOR CANADIAN FEDERAL, PROVINCIAL AND LOCAL INCOME
14 COLLATERAL AND FRANCHISE TAX PURPOSES, IT IS INTENDED THAT LESSEE SHALL BE
15 DESCRIPTION TREATED AS THE OWNER OF THE EQUIPMENT. IN FURTHERANCE THEREOF, IN
16 REGISTERING

AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
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PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

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01 011 18 20230123 1038 5064 5624

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

04 ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY /
LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

10 YEAR MAKE MODEL V.I.N.

11 MOTOR

12 VEHICLE

13 GENERAL ORDER TO SECURE THE PROMPT PAYMENT AND PERFORMANCE AS AND WHEN DUE OF
14 COLLATERAL ALL OF LESSEE'S OBLIGATIONS HEREUNDER, LESSEE HEREBY GRANTS TO
15 DESCRIPTION LESSOR A FIRST PRIORITY SECURITY INTEREST IN, AND ASSIGNS, MORTGAGES,
16 REGISTERING
AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

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PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
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ID : 20230829121548.65
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SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

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01 012 18 20230123 1038 5064 5624

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL CHARGES, HYPOTHECATES AND PLEDGES TO LESSOR, THE EQUIPMENT AND ALL
COLLATERAL PROCEEDS INCLUDING THE PROCEEDS OF SUCH PROCEEDS (CASH AND NON-CASH)
DESCRIPTION THEREOF, INCLUDING THE PROCEEDS OF ALL INSURANCE POLICIES ON THE

REGISTERING
AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
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TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
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01 013 18 20230123 1038 5064 5624

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL EQUIPMENT. LESSEE AGREES THAT, WITH RESPECT TO THE EQUIPMENT, LESSOR
COLLATERAL SHALL HAVE ALL OF THE RIGHTS AND REMEDIES OF A PERFECTED FIRST
DESCRIPTION PRIORITY SECURED PARTY UNDER THE PPSA AND LESSOR MAY ENFORCE SUCH

REGISTERING
AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
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01 014 18 20230123 1038 5064 5624

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

04 ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY /
LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
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10 YEAR MAKE MODEL V.I.N.

11 MOTOR

12 VEHICLE

13 GENERAL RIGHTS AND REMEDIES BY APPOINTMENT BY INSTRUMENT IN WRITING OF A
14 COLLATERAL RECEIVER (WHICH TERM AS USED IN THIS LEASE INCLUDES A RECEIVER AND
15 DESCRIPTION MANAGER) OR AGENT OF ALL OR ANY PART OF THE EQUIPMENT AND REMOVAL OR
16 REGISTERING
AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
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01 015 18 20230123 1038 5064 5624

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

04 ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY /
LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

10 YEAR MAKE MODEL V.I.N.

11 MOTOR

12 VEHICLE

13 GENERAL REPLACEMENT FROM TIME TO TIME OF ANY RECEIVER OR AGENT. LESSOR IS
14 COLLATERAL HEREBY AUTHORIZED BY LESSEE, AT LESSEE'S EXPENSE, TO CAUSE THE LEASE
15 DESCRIPTION OR ANY FINANCING STATEMENT OR OTHER INSTRUMENT IN RESPECT OF THE
16 REGISTERING

AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

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PROVINCE OF ONTARIO
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TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

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01 016 18 20230123 1038 5064 5624

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL LEASE SHOWING THE INTEREST OF LESSOR IN THE EQUIPMENT TO BE FILED OR
COLLATERAL RECORDED AND LESSEE HEREBY AUTHORIZES LESSOR TO FILE SUCH FINANCING
DESCRIPTION STATEMENT WITHOUT LESSEE'S SIGNATURE AND, IF A SIGNATURE IS REQUIRED

REGISTERING

AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

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PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
RUN DATE : 2023/08/29
ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

790147098

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD

01 017 18 20230123 1038 5064 5624

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL BY LAW, LESSEE APPOINTS LESSOR AS LESSEE'S ATTORNEY IN FACT TO
COLLATERAL EXECUTE SUCH FINANCING STATEMENTS AND OTHER INSTRUMENTS, AND LESSEE
DESCRIPTION FURTHER AGREES, IF NECESSARY, TO EXECUTE AND DELIVER ANY STATEMENT OR
REGISTERING
AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
RUN DATE : 2023/08/29
ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

790147098

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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01 018 18 20230123 1038 5064 5624

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL INSTRUMENT REQUESTED BY LESSOR FOR SUCH PURPOSE. LESSEE MAY NOT
COLLATERAL DISPOSE OF ANY OF THE EQUIPMENT EXCEPT TO THE EXTENT EXPRESSLY
DESCRIPTION PROVIDED HEREIN.

REGISTERING
AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
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ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
RUN DATE : 2023/08/29
ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

790147125

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD

01 001 18 20230123 1040 5064 5626 P PPSA 05

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME TACORA RESOURCES INC.

ONTARIO CORPORATION NO.

04 ADDRESS 199 BAY ST, 5300 COMMERCE COURT W TORONTO

ON M5L 1B9

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / SANDVIK CANADA INC.
LIEN CLAIMANT

09 ADDRESS 2550 MEADOWVALE BLVD, UNIT 3

MISSISSAUGA ON L5N 8C2

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

10 X X X V.I.N.
YEAR MAKE MODEL

11 MOTOR

12 VEHICLE

13 GENERAL LESSOR HEREBY AGREES TO LEASE TO LESSEE AND LESSEE AGREES TO LEASE

14 COLLATERAL FROM LESSOR, EACH ITEM OF EQUIPMENT, DESCRIBED AS SUPPLIER

15 DESCRIPTION AGGREGATE EQUIPMENT (ATLANTIC) LIMITED, QTY. ONE (1), EQUIPMENT

16 REGISTERING NCS UCC SERVICES GROUP

AGENT

17 ADDRESS 729 MINER ROAD HIGHLAND HEIGHTS OH 44143

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
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CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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01 002 18 20230123 1040 5064 5626

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

08 SECURED PARTY / SANDVIK FINANCIAL SERVICES CANADA
LIEN CLAIMANT

09 ADDRESS 2550 MEADOWVALE BLVD, UNIT 3 MISSISSAUGA ON L5N 8C2

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

10 YEAR MAKE MODEL V.I.N.

11 MOTOR

12 VEHICLE

13 GENERAL DESCRIPTION 2022 SANDVIK QJ341, SERIAL NUMBER QJ341-10343, AND

14 COLLATERAL OTHER PERSONAL PROPERTY (EACH SUCH ITEM, COLLECTIVELY WITH ALL

15 DESCRIPTION ATTACHMENTS, REPLACEMENTS, IMPROVEMENTS, PARTS, SUBSTITUTIONS,

16 REGISTERING

AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
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ENQUIRY SEARCH RESPONSE

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01 003 18 20230123 1040 5064 5626

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

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DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY / LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER MOTOR VEHICLE INCLUDED AMOUNT DATE OF MATURITY OR NO FIXED MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL ADDITIONS, REPAIRS, ACCESSIONS AND ACCESSORIES INCORPORATED THEREIN
COLLATERAL AND/OR AFFIXED THERETO, AN "ITEM OF EQUIPMENT" AND ALL ITEMS OF
DESCRIPTION EQUIPMENT SUBJECT TO THE LEASE, COLLECTIVELY, THE "EQUIPMENT")

REGISTERING AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
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01 004 18 20230123 1040 5064 5626

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

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DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL DESCRIBED ON ANY EQUIPMENT SCHEDULE (EACH, AN "EQUIPMENT SCHEDULE")
COLLATERAL THAT INCORPORATES THE LEASE BY REFERENCE. EACH EQUIPMENT SCHEDULE
DESCRIPTION SHALL BE SUBSTANTIALLY IN THE FORM OF ANNEX B. EACH ITEM OF

REGISTERING
AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

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PROVINCE OF ONTARIO
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01 005 18 20230123 1040 5064 5626

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

04 ADDRESS

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER MOTOR VEHICLE INCLUDED AMOUNT DATE OF MATURITY OR NO FIXED MATURITY DATE

10 YEAR MAKE MODEL V.I.N.

11 MOTOR VEHICLE GENERAL COLLATERAL DESCRIPTION REGISTERING AGENT
EQUIPMENT SHALL BE LEASED PURSUANT TO AND BECOME SUBJECT TO THE LEASE UPON EXECUTION AND DELIVERY OF THE APPLICABLE EQUIPMENT SCHEDULE. DURING THE TERM AND UNTIL LESSEE ACQUIRES SUCH EQUIPMENT PURSUANT TO

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
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01 006 18 20230123 1040 5064 5626

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY / LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER MOTOR VEHICLE INCLUDED AMOUNT DATE OF MATURITY OR NO FIXED MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL THE TERMS OF THE LEASE, LESSOR SHALL RETAIN TITLE TO SUCH EQUIPMENT

COLLATERAL AND ALL DOCUMENTS OF TITLE AND EVIDENCES OF DELIVERY SHALL BE

DESCRIPTION DELIVERED TO LESSOR PROVIDED, HOWEVER, THAT LESSEE AND LESSOR

REGISTERING

AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
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TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

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01 007 18 20230123 1040 5064 5626

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

04 ADDRESS

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER MOTOR VEHICLE INCLUDED AMOUNT DATE OF MATURITY OR NO FIXED MATURITY DATE

10 YEAR MAKE MODEL V.I.N.

11 MOTOR VEHICLE GENERAL DESCRIPTION REGISTERING AGENT
12 VEHICLE
13 ACKNOWLEDGE THAT TRANSACTIONS DOCUMENTED HEREUNDER SHALL NOT
14 COLLATERAL CONSTITUTE A "LEASE" OR A "TRUE LEASE," AND INSTEAD SHALL CONSTITUTE
15 DESCRIPTION A "SECURITY INTEREST" OR A "PURCHASE-MONEY SECURITY INTEREST", AS THE
16 REGISTERING AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
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ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

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01 008 18 20230123 1040 5064 5626

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL CASE MAY BE, UNDER APPLICABLE LAW OR GOVERNMENTAL RULE, REGULATION,
COLLATERAL OR ORDER (COLLECTIVELY, "LAW") (INCLUDING UNDER THE PERSONAL PROPERTY
DESCRIPTION SECURITY ACT (ONTARIO), THE CIVIL CODE OF QUEBEC OR ANY OTHER

REGISTERING
AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
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TYPE OF SEARCH : BUSINESS DEBTOR
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01 009 18 20230123 1040 5064 5626

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL APPLICABLE CANADIAN FEDERAL OR PROVINCIAL STATUTE PERTAINING TO THE
COLLATERAL GRANTING, PERFECTING, PUBLICATION, PRIORITY OR RANKING OF SECURITY
DESCRIPTION INTERESTS, LIENS OR HYPOTHECS ON PROPERTY ("PPSA"), AND LESSOR AND
REGISTERING
AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
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FILE CURRENCY : 28AUG 2023

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FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD

01 010 18 20230123 1040 5064 5626

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL LESSEE AGREE THAT FOR CANADIAN FEDERAL, PROVINCIAL AND LOCAL INCOME
COLLATERAL AND FRANCHISE TAX PURPOSES, IT IS INTENDED THAT LESSEE SHALL BE
DESCRIPTION TREATED AS THE OWNER OF THE EQUIPMENT. IN FURTHERANCE THEREOF, IN

REGISTERING
AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

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PROVINCE OF ONTARIO
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01 011 18 20230123 1040 5064 5626

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL ORDER TO SECURE THE PROMPT PAYMENT AND PERFORMANCE AS AND WHEN DUE OF
COLLATERAL ALL OF LESSEE'S OBLIGATIONS HEREUNDER, LESSEE HEREBY GRANTS TO
DESCRIPTION LESSOR A FIRST PRIORITY SECURITY INTEREST IN, AND ASSIGNS, MORTGAGES,
REGISTERING
AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

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PROVINCE OF ONTARIO
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01 012 18 20230123 1040 5064 5626

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

04 ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY /
LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

10

YEAR MAKE MODEL V.I.N.

11 MOTOR

12 VEHICLE

13 GENERAL CHARGES, HYPOTHECATES AND PLEDGES TO LESSOR, THE EQUIPMENT AND ALL
14 COLLATERAL PROCEEDS INCLUDING THE PROCEEDS OF SUCH PROCEEDS (CASH AND NON-CASH)
15 DESCRIPTION THEREOF, INCLUDING THE PROCEEDS OF ALL INSURANCE POLICIES ON THE
16 REGISTERING

AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
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04 ADDRESS

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ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION

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10

YEAR MAKE MODEL V.I.N.

11 MOTOR

12 VEHICLE

13 GENERAL EQUIPMENT. LESSEE AGREES THAT, WITH RESPECT TO THE EQUIPMENT, LESSOR

14 COLLATERAL SHALL HAVE ALL OF THE RIGHTS AND REMEDIES OF A PERFECTED FIRST

15 DESCRIPTION PRIORITY SECURED PARTY UNDER THE PPSA AND LESSOR MAY ENFORCE SUCH

16 REGISTERING

AGENT

17

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
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00 790147125

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01 014 18 20230123 1040 5064 5626

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

04 ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY /
LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

10

YEAR MAKE MODEL V.I.N.

11 MOTOR

12 VEHICLE

13 GENERAL RIGHTS AND REMEDIES BY APPOINTMENT BY INSTRUMENT IN WRITING OF A
14 COLLATERAL RECEIVER (WHICH TERM AS USED IN THIS LEASE INCLUDES A RECEIVER AND
15 DESCRIPTION MANAGER) OR AGENT OF ALL OR ANY PART OF THE EQUIPMENT AND REMOVAL OR
16 REGISTERING

AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

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PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
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RUN NUMBER : 241
RUN DATE : 2023/08/29
ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

790147125

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD

01 015 18 20230123 1040 5064 5626

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

04 ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY /
LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

10 YEAR MAKE MODEL V.I.N.

11 MOTOR

12 VEHICLE

13 GENERAL REPLACEMENT FROM TIME TO TIME OF ANY RECEIVER OR AGENT. LESSOR IS
14 COLLATERAL HEREBY AUTHORIZED BY LESSEE, AT LESSEE'S EXPENSE, TO CAUSE THE LEASE
15 DESCRIPTION OR ANY FINANCING STATEMENT OR OTHER INSTRUMENT IN RESPECT OF THE
16 REGISTERING

AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
RUN DATE : 2023/08/29
ID : 20230829121548.65
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CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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01 016 18 20230123 1040 5064 5626

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL LEASE SHOWING THE INTEREST OF LESSOR IN THE EQUIPMENT TO BE FILED OR
COLLATERAL RECORDED AND LESSEE HEREBY AUTHORIZES LESSOR TO FILE SUCH FINANCING
DESCRIPTION STATEMENT WITHOUT LESSEE'S SIGNATURE AND, IF A SIGNATURE IS REQUIRED

REGISTERING

AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
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DEBTOR

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ONTARIO CORPORATION NO.

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ONTARIO CORPORATION NO.

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LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

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YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL BY LAW, LESSEE APPOINTS LESSOR AS LESSEE'S ATTORNEY IN FACT TO
COLLATERAL EXECUTE SUCH FINANCING STATEMENTS AND OTHER INSTRUMENTS, AND LESSEE
DESCRIPTION FURTHER AGREES, IF NECESSARY, TO EXECUTE AND DELIVER ANY STATEMENT OR
REGISTERING
AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
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RUN NUMBER : 241
RUN DATE : 2023/08/29
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TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
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CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD

01 018 18 20230123 1040 5064 5626

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

04 ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY /
LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

10 YEAR MAKE MODEL V.I.N.

11 MOTOR

12 VEHICLE

13 GENERAL INSTRUMENT REQUESTED BY LESSOR FOR SUCH PURPOSE. LESSEE MAY NOT

14 COLLATERAL DISPOSE OF ANY OF THE EQUIPMENT EXCEPT TO THE EXTENT EXPRESSLY

15 DESCRIPTION PROVIDED HEREIN.

16 REGISTERING

AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
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ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
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SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

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FILE NUMBER

789910452

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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01 001 3 20230112 0822 9234 6400 P PPSA 10

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

03 NAME BUSINESS NAME TACORA RESOURCES INC.

ONTARIO CORPORATION NO.

04 ADDRESS 102 NE 3RD STREET, SUITE 120 GRAND RAPIDS MN 55744

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / COMPUTERSHARE TRUST COMPANY, N.A., AS NOTES COLLATERAL AGENT
LIEN CLAIMANT

09 ADDRESS ATTENTION - CORPORATE TRUST, C/O WELLS MINNEAPOLIS MN 55415

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

10 X X X X X

YEAR MAKE MODEL V.I.N.

MOTOR

12 VEHICLE

13 GENERAL

14 COLLATERAL

15 DESCRIPTION

16 REGISTERING STIKEMAN ELLIOTT LLP

AGENT

17 ADDRESS 5300 COMMERCE COURT WEST, 199 BAY STREET TORONTO ON M5L 1B9

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
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01 002 3 20230112 0822 9234 6400

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02 DEBTOR

03 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

04 ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY /
LIEN CLAIMANT

09 ADDRESS FARGO BANK N.A., 600 S 4TH STREET, 7TH

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
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10 YEAR MAKE MODEL V.I.N.

11 MOTOR

12 VEHICLE

13 GENERAL

14 COLLATERAL

15 DESCRIPTION

16 REGISTERING

AGENT

17 ADDRESS

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PROVINCE OF ONTARIO
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01 003 3 20230112 0822 9234 6400

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS FLOOR

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL

COLLATERAL

DESCRIPTION

REGISTERING

AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
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FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

789918399

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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01 001 1 20230112 1109 1590 6512 P PPSA 10

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME TACORA RESOURCES INC.

ONTARIO CORPORATION NO.

04 ADDRESS 102 NE 3RD STREET, SUITE 120 GRAND RAPIDS MN 55744

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / CARGILL INTERNATIONAL TRADING PTE LTD.
LIEN CLAIMANT

09 ADDRESS 138 MARKET STREET # 17-01 CAPITAGREEN SINGAPORE SIN 048946

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

10 X X X X X

YEAR MAKE MODEL V.I.N.

11 MOTOR

12 VEHICLE

13 GENERAL

14 COLLATERAL

15 DESCRIPTION

16 REGISTERING GOODMANS LLP

AGENT

17 ADDRESS 3400-333 BAY STREET TORONTO ON M5H 2S7

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
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ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

789768216

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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01 001 3 20230105 1532 5064 8027 P PPSA 10

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

03 NAME BUSINESS NAME TACORA RESOURCES INC.

ONTARIO CORPORATION NO.

04 ADDRESS 102 NE THIRD STREET SUITE 120 GRAND RAPIDS MN 55744

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / CATERPILLAR FINANCIAL SERVICES LIMITED
LIEN CLAIMANT

09 ADDRESS 3457 SUPERIOR COURT UNIT 2 OAKVILLE ON L6L 0C4

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
X X

10 YEAR MAKE MODEL V.I.N.

MOTOR

12 VEHICLE

13 GENERAL 2019 CATERPILLAR 994K WHEEL LOADER SN CAT0994KHSMX00207 TOGETHER

14 COLLATERAL WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS,

15 DESCRIPTION SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED

16 REGISTERING ESC CORPORATE SERVICES LTD.

AGENT

17 ADDRESS 445 KING STREET WEST, SUITE 400 TORONTO ON M5V 1K4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

REPORT : PSSR060
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TYPE OF SEARCH : BUSINESS DEBTOR
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CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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01 002 3 20230105 1532 5064 8027

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

04 ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY /
LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

10 YEAR MAKE MODEL V.I.N.

11 MOTOR

12 VEHICLE

13 GENERAL COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR
14 COLLATERAL INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN
15 DESCRIPTION INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR

16 REGISTERING
AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

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PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
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01 003 3 20230105 1532 5064 8027

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

04 ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY /
LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
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10 YEAR MAKE MODEL V.I.N.

11 MOTOR

12 VEHICLE

13 GENERAL LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL.

14 COLLATERAL PROCEEDS GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER,

15 DESCRIPTION INSTRUMENTS, MONEY AND INTANGIBLES.

16 REGISTERING

AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
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ENQUIRY SEARCH RESPONSE

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FILE CURRENCY : 28AUG 2023

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FILE NUMBER

789768261

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD

01 001 4 20230105 1533 5064 8030 P PPSA 04

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

03 NAME BUSINESS NAME TACORA RESOURCES INC.

ONTARIO CORPORATION NO.

04 ADDRESS 102 NE THIRD STREET SUITE 120 GRAND RAPIDS MN 55744

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / CATERPILLAR FINANCIAL SERVICES LIMITED
LIEN CLAIMANT

09 ADDRESS 3457 SUPERIOR COURT UNIT 2 OAKVILLE ON L6L 0C4

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
10 X X

YEAR MAKE MODEL V.I.N.

MOTOR

12 VEHICLE

13 GENERAL VIN CAT0016MJB9H00829, MAKE CATERPILLAR, MODEL 16M 2011

14 COLLATERAL CATERPILLAR 16M MOTOR GRADER SN CAT0016MJB9H00829 TOGETHER WITH

15 DESCRIPTION ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS,

16 REGISTERING ESC CORPORATE SERVICES LTD.
AGENT

17 ADDRESS 445 KING STREET WEST, SUITE 400 TORONTO ON M5V 1K4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

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PROVINCE OF ONTARIO
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ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
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07 ADDRESS

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LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

10 YEAR MAKE MODEL V.I.N.

11 MOTOR

12 VEHICLE

13 GENERAL SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED

14 COLLATERAL COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR

15 DESCRIPTION INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN

16 REGISTERING

AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
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COLLATERAL CLASSIFICATION

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10 YEAR MAKE MODEL V.I.N.

11 MOTOR

12 VEHICLE

13 GENERAL INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR

14 COLLATERAL LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL.

15 DESCRIPTION PROCEEDS GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER,

16 REGISTERING

AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
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01 004 4 20230105 1533 5064 8030

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

03 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

04 ADDRESS

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER MOTOR VEHICLE INCLUDED AMOUNT DATE OF MATURITY OR NO FIXED MATURITY DATE

10 YEAR MAKE MODEL V.I.N.

11 MOTOR VEHICLE GENERAL INSTRUMENTS, MONEY AND INTANGIBLES.
12 COLLATERAL
13 DESCRIPTION
14 REGISTERING
15 AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
RUN DATE : 2023/08/29
ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

789768288

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD

01 001 4 20230105 1534 5064 8032 P PPSA 10

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

03 NAME BUSINESS NAME TACORA RESOURCES INC.

ONTARIO CORPORATION NO.

04 ADDRESS 102 NE THIRD STREET SUITE 120 GRAND RAPIDS MN 55744

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / CATERPILLAR FINANCIAL SERVICES LIMITED
LIEN CLAIMANT

09 ADDRESS 3457 SUPERIOR COURT UNIT 2 OAKVILLE ON L6L 0C4

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
10 X X

YEAR MAKE MODEL V.I.N.

MOTOR

12 VEHICLE

13 GENERAL VIN CAT0279DLRB900642, MAKE CATERPILLAR, MODEL 279D3 VIN

14 COLLATERAL CAT0279DKRB900973, MAKE CATERPILLAR, MODEL 279D3 2019

15 DESCRIPTION CATERPILLAR 279D3 COMPACT TRACK LOADER SN CAT0279DLRB900642 2020

16 REGISTERING ESC CORPORATE SERVICES LTD.

AGENT

17 ADDRESS 445 KING STREET WEST, SUITE 400 TORONTO ON M5V 1K4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 110

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
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01 002 4 20230105 1534 5064 8032

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL CATERPILLAR 279D3 COMPACT TRACK LOADER SN CAT0279DKRB900973

COLLATERAL TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS,
DESCRIPTION SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED

REGISTERING

AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

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01 003 4 20230105 1534 5064 8032

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

04 ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY /
LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

10 YEAR MAKE MODEL V.I.N.

11 MOTOR

12 VEHICLE

13 GENERAL COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR
14 COLLATERAL INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN
15 DESCRIPTION INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR
16 REGISTERING

AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

REPORT : PSSR060
PAGE : 112

RUN NUMBER : 241
RUN DATE : 2023/08/29
ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

789768288

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01 004 4 20230105 1534 5064 8032

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL.

COLLATERAL PROCEEDS GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER,

DESCRIPTION INSTRUMENTS, MONEY AND INTANGIBLES.

REGISTERING

AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 113

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
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FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

789768432

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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01 001 4 20230105 1543 5064 8037 P PPSA 04

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

03 NAME BUSINESS NAME TACORA RESOURCES INC.

ONTARIO CORPORATION NO.

04 ADDRESS 102 NE THIRD STREET SUITE 120 GRAND RAPIDS MN 55744

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY / CATERPILLAR FINANCIAL SERVICES LIMITED
LIEN CLAIMANT

09 ADDRESS 1122 INTERNATIONAL BLVD 4TH FL BURLINGTON ON L6L 0C4

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
X X

10 YEAR MAKE MODEL V.I.N.

MOTOR

12 VEHICLE

13 GENERAL VIN CAT0374FVXWL00180, MAKE CATERPILLAR, MODEL 374FL 2019

14 COLLATERAL CATERPILLAR 374FL LARGE HYDRAULIC EXCAVATOR SN CAT0374FVXWL00180

15 DESCRIPTION TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS,

16 REGISTERING ESC CORPORATE SERVICES LTD.

AGENT

17 ADDRESS 445 KING STREET WEST, SUITE 400 TORONTO ON M5V 1K4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 114

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
RUN DATE : 2023/08/29
ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

789768432

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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01 002 4 20230105 1543 5064 8037

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE
COLLATERAL ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED
DESCRIPTION DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A
REGISTERING
AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

REPORT : PSSR060
PAGE : 115

RUN NUMBER : 241
RUN DATE : 2023/08/29
ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

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CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
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DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

04 ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY /
LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

10 YEAR MAKE MODEL V.I.N.

11 MOTOR

12 VEHICLE

13 GENERAL RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR
14 COLLATERAL COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH
15 DESCRIPTION COLLATERAL. PROCEEDS GOODS, SECURITIES, DOCUMENTS OF TITLE,
16 REGISTERING

AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 116

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
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DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.

COLLATERAL

DESCRIPTION

REGISTERING

AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
RUN DATE : 2023/08/29
ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

789734214

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD

01 001 4 20230104 1600 5064 7083 P PPSA 10

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME TACORA RESOURCES INC.

ONTARIO CORPORATION NO.

04 ADDRESS 102 NE THIRD STREET SUITE 120 GRAND RAPIDS MN 55744

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

08 SECURED PARTY / CATERPILLAR FINANCIAL SERVICES LIMITED

LIEN CLAIMANT

09 ADDRESS 3457 SUPERIOR COURT UNIT 2 OAKVILLE ON L6L 0C4

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE
X X

YEAR MAKE MODEL V.I.N.

11 MOTOR

12 VEHICLE

13 GENERAL 2019 CATERPILLAR 18M3 MOTOR GRADER SN CAT0018MAN9A00251 2018

14 COLLATERAL CATERPILLAR 980M FRONT WHEEL LOADER SN CAT0980MTKRS03229 2019

15 DESCRIPTION CATERPILLAR 988K FRONT WHEEL LOADER SN CAT0988KHTWX01691

16 REGISTERING ESC CORPORATE SERVICES LTD.

AGENT

17 ADDRESS 445 KING STREET WEST, SUITE 400 TORONTO ON M5V 1K4

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED... 118

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
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FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER

789734214

CAUTION FILING PAGE NO. OF TOTAL PAGES MOTOR VEHICLE SCHEDULE REGISTRATION NUMBER REGISTERED UNDER REGISTRATION PERIOD

01 002 4 20230104 1600 5064 7083

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

02 DEBTOR

03 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

04 ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

05 DEBTOR

06 NAME BUSINESS NAME

ONTARIO CORPORATION NO.

07 ADDRESS

08 SECURED PARTY /
LIEN CLAIMANT

09 ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER MOTOR VEHICLE INCLUDED AMOUNT DATE OF MATURITY OR NO FIXED MATURITY DATE

10 YEAR MAKE MODEL V.I.N.

11 MOTOR

12 VEHICLE

13 GENERAL TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS,
14 COLLATERAL SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED
15 DESCRIPTION COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR

16 REGISTERING
AGENT

17 ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

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NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

CONSUMER MOTOR VEHICLE AMOUNT DATE OF NO FIXED
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN
COLLATERAL INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR
DESCRIPTION LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL.

REGISTERING
AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

REPORT : PSSR060
PAGE : 120

RUN NUMBER : 241
RUN DATE : 2023/08/29
ID : 20230829121548.65
TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

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DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR

NAME BUSINESS NAME

ONTARIO CORPORATION NO.

ADDRESS

SECURED PARTY /
LIEN CLAIMANT

ADDRESS

COLLATERAL CLASSIFICATION

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GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MATURITY DATE

YEAR MAKE MODEL V.I.N.

MOTOR

VEHICLE

GENERAL PROCEEDS GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER,
COLLATERAL INSTRUMENTS, MONEY AND INTANGIBLES.

DESCRIPTION

REGISTERING

AGENT

ADDRESS

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

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PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY SEARCH RESPONSE

RUN NUMBER : 241
RUN DATE : 2023/08/29
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TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

INFORMATION RELATING TO THE REGISTRATIONS LISTED BELOW IS ATTACHED HERETO.

FILE NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER
792187182	20230411 0825 1590 8190			
790268553	20230126 1341 5064 9279			
790217793	20230125 1032 1462 5835			
790217802	20230125 1032 1462 5836			
790217811	20230125 1032 1462 5837			
790217829	20230125 1032 1462 5838			
790217838	20230125 1032 1462 5839			
790217847	20230125 1032 1462 5840			
790217856	20230125 1032 1462 5841			
790217865	20230125 1032 1462 5842			
790217874	20230125 1032 1462 5843			
790217883	20230125 1032 1462 5844			
790217892	20230125 1032 1462 5845			
790217901	20230125 1032 1462 5846			
790230987	20230125 1404 1462 6058			
790230996	20230125 1404 1462 6059			
790231005	20230125 1404 1462 6060			
790231014	20230125 1404 1462 6061			
790231023	20230125 1404 1462 6062			
790231032	20230125 1404 1462 6063			
790231041	20230125 1404 1462 6064			
790231059	20230125 1404 1462 6065			
790231068	20230125 1404 1462 6066			
790231077	20230125 1404 1462 6067			
790231086	20230125 1404 1462 6068			
790231095	20230125 1404 1462 6069			
790231104	20230125 1404 1462 6070			
790147062	20230123 1036 5064 5622			
790147098	20230123 1038 5064 5624			
790147125	20230123 1040 5064 5626			

PROVINCE OF ONTARIO
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PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
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SEARCH CONDUCTED ON : TACORA RESOURCES INC.
FILE CURRENCY : 28AUG 2023

INFORMATION RELATING TO THE REGISTRATIONS LISTED BELOW IS ATTACHED HERETO.

FILE NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER
789910452	20230112 0822 9234 6400			
789918399	20230112 1109 1590 6512			
789768216	20230105 1532 5064 8027			
789768261	20230105 1533 5064 8030			
789768288	20230105 1534 5064 8032			
789768432	20230105 1543 5064 8037			
789734214	20230104 1600 5064 7083			

37 REGISTRATIONS ARE REPORTED IN THIS ENQUIRY RESPONSE.

EXHIBIT "H"

referred to in the Affidavit of

JOE BROKING

Sworn October 9, 2023

DocuSigned by:



36124C4218DD47C...

Commissioner for Taking Affidavits
Philip Yang

This report lists registrations in the Personal Property Registry that match the following search criteria:

Province or Territory Searched:	Newfoundland and Labrador
Type of Search:	Debtors (Enterprise)
Search Criteria:	Tacora Resources Inc.
Date and Time of Search (YYYY-MM-DD hh:mm):	2023-09-01 15:42 (Atlantic)
Transaction Number:	24742069
Searched By:	G190290

The following table lists records that match the Debtors (Enterprise) you specified.

Exact	Included	Original Registration Number	Enterprise Name	Place
*	*	16828758	Tacora Resources Inc.	Grand Rapids
*	*	16905978	Tacora Resources Inc.	Wabush
*	*	16916546	TACORA RESOURCES INC.	WABUSH
*	*	16916579	TACORA RESOURCES INC.	WABUSH
*	*	16950925	TACORA RESOURCES INC.	WABUSH
*	*	16954240	TACORA RESOURCES INC.	WABUSH
*	*	16970238	TACORA RESOURCES INC.	WABUSH
*	*	16970246	TACORA RESOURCES INC.	WABUSH
*	*	17006453	Tacora Resources Inc.	Wabush
*	*	17026121	TACORA RESOURCES INC.	WABUSH
*	*	17047176	TACORA RESOURCES INC.	WABUSH
*	*	17060872	TACORA RESOURCES INC.	WABUSH
*	*	17096017	TACORA RESOURCES INC.	Grand Rapids
*	*	17109539	TACORA RESOURCES INC.	WABUSH
*	*	17173667	TACORA RESOURCES INC.	WABUSH
*	*	17246471	TACORA RESOURCES INC.	WABUSH
*	*	17266909	TACORA RESOURCES INC.	WABUSH
*	*	17486747	TACORA RESOURCES INC.	WABUSH
*	*	17502287	TACORA RESOURCES INC.	Grand Rapids
*	*	18300988	TACORA RESOURCES INC.	Grand Rapids
*	*	18721027	TACORA RESOURCES INC.	WABUSH
*	*	18734582	TACORA RESOURCES INC.	WABUSH
*	*	18734640	TACORA RESOURCES INC.	WABUSH
*	*	18837112	TACORA RESOURCES INC.	GRAND RAPIDS
*	*	18928341	TACORA RESOURCES INC.	Wabush
*	*	18928457	TACORA RESOURCES INC.	Wabush
*	*	18939819	TACORA RESOURCES INC.	WABUSH
*	*	20004685	TACORA RESOURCES INC.	Wabush
*	*	20004693	TACORA RESOURCES INC.	Wabush
*	*	20004727	TACORA RESOURCES INC.	Wabush
*	*	20037578	TACORA RESOURCES INC.	Grand Rapids
*	*	20469102	Tacora Resources Inc.	Grand Rapids
*	*	20778601	TACORA RESOURCES INC.	St. John's
*	*	21084272	TACORA RESOURCES INC.	St. John's
*	*	21084280	TACORA RESOURCES INC.	St. John's
*	*	17097320	TACORA RESOURCES INC.	WABUSH
*	*	20778593	TACORA RESOURCES INC.	St. John's

An '*' in the 'Exact' column indicates that the Debtor (Enterprise) exactly matches the search criteria.

Included Column Legend

- An asterisk (*) in the 'Included' column indicates that the registration's details are included within the Search Result Report.

Registration Counts

- 35 registration(s) contained information that **exactly** matched the search criteria you specified.
- 2 registration(s) contained information that **closely** matched the search criteria you specified.

When reviewing the registrations below, note that a registration which has expired or been discharged within the last 30 days can still be re-registered by the secured party.

All registration date/time values are stated in Atlantic Time.

For more information concerning the Personal Property Registry, go to www.acol.ca

Registration Details for Registration Number: 16828758

Province or Territory: Newfoundland and Labrador
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	16828758	2019-04-15 10:58	2029-04-15	30026688-00001

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 Tacora Resources Inc.
 102 NE Third Street, Suite 120
 Grand Rapids MN 55744
 USA

Secured Parties

Type: Enterprise
 Caterpillar Financial Services Limited
 3457 Superior Court, Unit 2
 Oakville ON L6L 0C4
 Canada

General Collateral

All right, title and interest that the Debtor now has or may hereafter have or acquire, in any manner whatsoever (including by way of amalgamation), in the following property:

(a) all items of new or used Caterpillar equipment specified in any present or future lease contracts between the parties, including without limitation the serial numbered goods from time to time more particularly described herein, together with all parts and accessories specifically therefor and replacements thereof and all additions, and including all Caterpillar equipment from time to time owned by the Debtor that was previously subject to a lease contract between the parties and that has been sold to the Debtor by the Secured Party, and all maintenance and repair contracts or customer support agreements entered into in relation to any of the foregoing;

(b) all deposits from time to time paid by the Debtor to the Secured Party in connection with one or more lease contracts and held by the Secured Party in a separate or commingled account, and any positive account balance thereof;

(c) all books, invoices, documents and other records in any form evidencing or relating solely to any of the foregoing; and

(d) all proceeds of any of the foregoing in any form derived directly or indirectly from any dealing with the above or that indemnifies or compensates for the loss of or damage to the above.

Serial Numbered Collateral

Serial Number	Collateral Type	Description	Added By	Deleted By
CAT0018MAN9A00251	Motor Vehicle	2019 Caterpillar 18M3 Motor Grader	16828758	
CAT0980MTKRS03229	Motor Vehicle	2018 Caterpillar 980M Front Wheel Loader	16828758	
CAT0988KHTWX01691	Motor Vehicle	2019 Caterpillar 988K Front Wheel Loader	16828758	

Registration Details for Registration Number: 16905978

Province or Territory: Newfoundland and Labrador

Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	16905978	2019-05-10 10:30	2025-05-10	

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 Tacora Resources Inc.
 1 Wabush Mines Road
 Wabush NL AOR 1B0
 Canada

Secured Parties

Type: Enterprise
 Komatsu International (Canada) Inc.
 3755 boul. Matte suite E
 Brossard QC J4Y 2P4
 Canada

Newfoundland and Labrador

PPRS Search Result Report

24742069

Phone #: 450-619-2148

Fax #: 450-444-4310

General Collateral

2019 Komatsu

Model: PC490LC-11

Serial number: A42147

Serial Numbered Collateral

Serial Number	Collateral Type	Description	Added By	Deleted By
A42147	Motor Vehicle	2019 Komatsu PC490LC-11	16905978	

Additional Information

Value: 496,050\$

Registration Details for Registration Number: 16916546

Province or Territory: Newfoundland and Labrador

Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	16916546	2019-05-14 14:17	2026-05-14	

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
TACORA RESOURCES INC.
1 WABUSH MINES ROAD
PO BOX 300
WABUSH NL A0R 1B0
Canada

Secured Parties

Type: Enterprise
KOMATSU INTERNATIONAL (CANADA) INC.
3755 BOUL MATTE, SUITE E
BROSSARD QC J4Y 2P4
Canada

General Collateral

SEMI U HD DUAL TILT BLADE, GIANT VARIABLE RIPPER.
 ALL PRESENT AND AFTER ACQUIRED ATTACHMENTS, ACCESSORIES, CONTROLS, MOTORS, INSTRUMENTS, SPARE PARTS, APPURTENANCES, MANUALS, MANUFACTURERS WARRANTIES AND OTHER EQUIPMENT ASSOCIATED WITH ANY OF THE VEHICLE COLLATERAL TOGETHER WITH ALL PROCEEDS FROM THE VEHICLE COLLATERAL THAT ARE GOODS, ACCOUNTS, NOTES, INSTRUMENTS, SECURITIES, TRADE-INS, CHATTEL PAPER, DOCUMENTS OF TITLE, CONTRACT RIGHTS, RENTAL PAYMENTS, INSURANCE PAYMENTS, INTANGIBLES AND OTHER PROPERTY OR OBLIGATIONS RECEIVED WHEN ANY OF THE SAID COLLATERAL IS SOLD, DEALT WITH OR OTHERWISE DISPOSED OF OR ANY PROCEEDS THERE FROM. TERMS USED HEREIN WHICH ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT OF NEWFOUNDLAND AND LABRADOR SHALL HAVE THE MEANING ASCRIBED TO THEM IN SUCH ACT.

Serial Numbered Collateral

Serial Number	Collateral Type	Description	Added By	Deleted By
80040	Motor Vehicle	2019 KOMATSU D375A-8	16916546	

Registration Details for Registration Number: 16916579

Province or Territory: Newfoundland and Labrador
 Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	16916579	2019-05-14 14:26	2026-05-14	

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 TACORA RESOURCES INC.
 1 WABUSH MINES ROAD
 PO BOX 300
 WABUSH NL A0R 1B0
 Canada

Secured Parties

Type: Enterprise
 KOMATSU INTERNATIONAL (CANADA) INC.
 3755 BOUL MATTE, SUITE E
 BROSSARD QC J4Y 2P4
 Canada

General Collateral

SEMI U HD DUAL TILT BLADE, GIANT VARIABLE RIPPER.

ALL PRESENT AND AFTER ACQUIRED ATTACHMENTS, ACCESSORIES, CONTROLS, MOTORS, INSTRUMENTS, SPARE PARTS, APPURTENANCES, MANUALS, MANUFACTURERS WARRANTIES AND OTHER EQUIPMENT ASSOCIATED WITH ANY OF THE VEHICLE COLLATERAL TOGETHER WITH ALL PROCEEDS FROM THE VEHICLE COLLATERAL THAT ARE GOODS, ACCOUNTS, NOTES, INSTRUMENTS, SECURITIES, TRADE-INS, CHATTEL PAPER, DOCUMENTS OF TITLE, CONTRACT RIGHTS, RENTAL PAYMENTS, INSURANCE PAYMENTS, INTANGIBLES AND OTHER PROPERTY OR OBLIGATIONS RECEIVED WHEN ANY OF THE SAID COLLATERAL IS SOLD, DEALT WITH OR OTHERWISE DISPOSED OF OR ANY PROCEEDS THERE FROM. TERMS USED HEREIN WHICH ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT OF NEWFOUNDLAND AND LABRADOR SHALL HAVE THE MEANING ASCRIBED TO THEM IN SUCH ACT.

Serial Numbered Collateral

Serial Number	Collateral Type	Description	Added By	Deleted By
80039	Motor Vehicle	2019 KOMATSU D375A-8	16916579	

Registration Details for Registration Number: 16950925

Province or Territory: Newfoundland and Labrador
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	16950925	2019-05-24 17:55	2026-05-24	

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
TACORA RESOURCES INC.
1 WABUSH MINES ROAD
PO BOX 300
WABUSH NL A0R 1B0
Canada

Secured Parties

Type: Enterprise
KOMATSU INTERNATIONAL (CANADA) INC.
3755 BOUL MATTE, SUITE E
BROSSARD QC J4Y 2P4
Canada

General Collateral

ALL PRESENT AND AFTER ACQUIRED ATTACHMENTS, ACCESSORIES, CONTROLS, MOTORS, INSTRUMENTS, SPARE PARTS, APPURTENANCES, MANUALS, MANUFACTURERS WARRANTIES AND

OTHER EQUIPMENT ASSOCIATED WITH ANY OF THE VEHICLE COLLATERAL TOGETHER WITH ALL PROCEEDS FROM THE VEHICLE COLLATERAL THAT ARE GOODS, ACCOUNTS, NOTES, INSTRUMENTS, SECURITIES, TRADE-INS, CHATTEL PAPER, DOCUMENTS OF TITLE, CONTRACT RIGHTS, RENTAL PAYMENTS, INSURANCE PAYMENTS, INTANGIBLES AND OTHER PROPERTY OR OBLIGATIONS RECEIVED WHEN ANY OF THE SAID COLLATERAL IS SOLD, DEALT WITH OR OTHERWISE DISPOSED OF OR ANY PROCEEDS THERE FROM. TERMS USED HEREIN WHICH ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT OF NEWFOUNDLAND AND LABRADOR SHALL HAVE THE MEANING ASCRIBED TO THEM IN SUCH ACT.

Serial Numbered Collateral

Serial Number	Collateral Type	Description	Added By	Deleted By
A50021	Motor Vehicle	KOMATSU 830E-5	16950925	

Registration Details for Registration Number: 16954240

Province or Territory: Newfoundland and Labrador
 Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	16954240	2019-05-27 11:57	2026-05-27	

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 TACORA RESOURCES INC.
 1 WABUSH MINES ROAD
 WABUSH NL A0R 1B0
 Canada

Secured Parties

Type: Enterprise
 KOMATSU INTERNATIONAL (CANADA) INC.
 3755 BOUL MATTE, SUITE E
 BROSSARD QC J4Y 2P4
 Canada

General Collateral

ALL PRESENT AND AFTER ACQUIRED ATTACHMENTS, ACCESSORIES, CONTROLS, MOTORS, INSTRUMENTS, SPARE PARTS, APPURTENANCES, MANUALS, MANUFACTURERS WARRANTIES AND OTHER EQUIPMENT ASSOCIATED WITH ANY OF THE VEHICLE COLLATERAL TOGETHER WITH ALL PROCEEDS FROM THE VEHICLE COLLATERAL THAT ARE GOODS, ACCOUNTS, NOTES, INSTRUMENTS, SECURITIES, TRADE-INS, CHATTEL PAPER, DOCUMENTS OF TITLE, CONTRACT RIGHTS, RENTAL

PAYMENTS, INSURANCE PAYMENTS, INTANGIBLES AND OTHER PROPERTY OR OBLIGATIONS RECEIVED WHEN ANY OF THE SAID COLLATERAL IS SOLD, DEALT WITH OR OTHERWISE DISPOSED OF OR ANY PROCEEDS THERE FROM. TERMS USED HEREIN WHICH ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT OF NEWFOUNDLAND SHALL HAVE THE MEANING ASCRIBED TO THEM IN SUCH ACT.

Serial Numbered Collateral

Serial Number	Collateral Type	Description	Added By	Deleted By
A50020	Motor Vehicle	2018 KOMATSU 830E-5	16954240	

Registration Details for Registration Number: 16970238

Province or Territory: Newfoundland and Labrador
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	16970238	2019-05-30 18:11	2026-05-30	

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
TACORA RESOURCES INC.
1 WABUSH MINES ROAD
PO BOX 300
WABUSH NL A0R 1B0
Canada

Secured Parties

Type: Enterprise
KOMATSU INTERNATIONAL (CANADA) INC.
3755 BOUL MATTE, SUITE E
BROSSARD QC J4Y 2P4
Canada

General Collateral

ALL PRESENT AND AFTER ACQUIRED ATTACHMENTS, ACCESSORIES, CONTROLS, MOTORS, INSTRUMENTS, SPARE PARTS, APPURTENANCES, MANUALS, MANUFACTURERS WARRANTIES AND OTHER EQUIPMENT ASSOCIATED WITH ANY OF THE VEHICLE COLLATERAL TOGETHER WITH ALL PROCEEDS FROM THE VEHICLE COLLATERAL THAT ARE GOODS, ACCOUNTS, NOTES, INSTRUMENTS, SECURITIES, TRADE-INS, CHATTEL PAPER, DOCUMENTS OF TITLE, CONTRACT RIGHTS, RENTAL PAYMENTS, INSURANCE PAYMENTS, INTANGIBLES AND OTHER PROPERTY OR OBLIGATIONS RECEIVED WHEN ANY OF THE SAID COLLATERAL IS SOLD, DEALT WITH OR OTHERWISE DISPOSED OF

OR ANY PROCEEDS THERE FROM. TERMS USED HEREIN WHICH ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT OF NEWFOUNDLAND SHALL HAVE THE MEANING ASCRIBED TO THEM IN SUCH ACT.

Serial Numbered Collateral

Serial Number	Collateral Type	Description	Added By	Deleted By
A50027	Motor Vehicle	2018 KOMATSU 830E-5	16970238	

Registration Details for Registration Number: 16970246

Province or Territory: Newfoundland and Labrador
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	16970246	2019-05-30 18:19	2026-05-30	

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
TACORA RESOURCES INC.
1 WABUSH MINES ROAD, PO BOX 300
WABUSH NL A0R 1B0
Canada

Secured Parties

Type: Enterprise
KOMATSU INTERNATIONAL (CANADA) INC.
3755 BOUL MATTE, SUITE E
BROSSARD QC J4Y 2P4
Canada

General Collateral

ALL PRESENT AND AFTER ACQUIRED ATTACHMENTS, ACCESSORIES, CONTROLS, MOTORS, INSTRUMENTS, SPARE PARTS, APPURTENANCES, MANUALS, MANUFACTURERS WARRANTIES AND OTHER EQUIPMENT ASSOCIATED WITH ANY OF THE VEHICLE COLLATERAL TOGETHER WITH ALL PROCEEDS FROM THE VEHICLE COLLATERAL THAT ARE GOODS, ACCOUNTS, NOTES, INSTRUMENTS, SECURITIES, TRADE-INS, CHATTEL PAPER, DOCUMENTS OF TITLE, CONTRACT RIGHTS, RENTAL PAYMENTS, INSURANCE PAYMENTS, INTANGIBLES AND OTHER PROPERTY OR OBLIGATIONS RECEIVED WHEN ANY OF THE SAID COLLATERAL IS SOLD, DEALT WITH OR OTHERWISE DISPOSED OF OR ANY PROCEEDS THERE FROM. TERMS USED HEREIN WHICH ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT OF NEWFOUNDLAND SHALL HAVE THE MEANING ASCRIBED TO THEM IN SUCH ACT.

Serial Numbered Collateral

Serial Number	Collateral Type	Description	Added By	Deleted By
A50023	Motor Vehicle	2018 KOMATSU 830E-5	16970246	

Registration Details for Registration Number: 17006453

Province or Territory: Newfoundland and Labrador

Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	17006453	2019-06-11 11:37	2025-06-11	

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 Tacora Resources Inc.
 1 Wabush Mines Road
 Wabush NL A0R 1B0
 Canada

Secured Parties

Type: Enterprise
 Komatsu International (Canada) Inc.
 3755 boul. Matte suite E
 Brossard QC J4Y 2P4
 Canada
 Phone #: 450-619-2106
 Fax #: 450-444-4310

General Collateral

2019 Komatsu
 Model: D155AX-8
 serial number: 100383

Serial Numbered Collateral

Serial Number	Collateral Type	Description	Added By	Deleted By
100383	Motor Vehicle	2019 Komatsu D155AX-8	17006453	

Additional Information

Amount: 908,000\$

Registration Details for Registration Number: 17026121

Province or Territory: Newfoundland and Labrador

Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	17026121	2019-06-17 17:41	2024-06-17	1-4795243594-1-43968

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
TACORA RESOURCES INC.
1 WABUSH MINES RD
WABUSH NL A0R1B0
Canada

Secured Parties

Type: Enterprise
XEROX CANADA LTD
20 YORK MILLS ROAD, SUITE 500 BOX 700
TORONTO ON M2P2C2
Canada

General Collateral

ALL PRESENT AND FUTURE OFFICE EQUIPMENT AND SOFTWARE SUPPLIED OR FINANCED FROM TIME TO TIME BY THE SECURED PARTY (WHETHER BY LEASE, CONDITIONAL SALE OR OTHERWISE), WHETHER OR NOT MANUFACTURED BY THE SECURED PARTY OR ANY AFFILIATE THEREOF, AND ALL PROCEEDS THEREOF.

Registration Details for Registration Number: 17047176

Province or Territory: Newfoundland and Labrador

Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	17047176	2019-06-24 15:05	2026-06-24	

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
TACORA RESOURCES INC.
1 WABUSH MINES ROAD
PO BOX 300
WABUSH NL A0R1B0
Canada

Secured Parties

Type: Enterprise
KOMATSU INTERNATIONAL (CANADA) INC.
3755 BOUL MATTE, SUITE E
BROSSARD QC J4Y2P4
Canada

General Collateral

ALL PRESENT AND AFTER ACQUIRED ATTACHMENTS, ACCESSORIES, CONTROLS, MOTORS, INSTRUMENTS, SPARE PARTS, APPURTENANCES, MANUALS, MANUFACTURERS WARRANTIES AND OTHER EQUIPMENT ASSOCIATED WITH ANY OF THE VEHICLE COLLATERAL TOGETHER WITH ALL PROCEEDS FROM THE VEHICLE COLLATERAL THAT ARE GOODS, ACCOUNTS, NOTES, INSTRUMENTS, SECURITIES, TRADE-INS, CHATTEL PAPER, DOCUMENTS OF TITLE, CONTRACT RIGHTS, RENTAL PAYMENTS, INSURANCE PAYMENTS, INTANGIBLES AND OTHER PROPERTY OR OBLIGATIONS RECEIVED WHEN ANY OF THE SAID COLLATERAL IS SOLD, DEALT WITH OR OTHERWISE DISPOSED OF OR ANY PROCEEDS THERE FROM. TERMS USED HEREIN WHICH ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT OF NEWFOUNDLAND SHALL HAVE THE MEANING ASCRIBED TO THEM IN SUCH ACT.

Serial Numbered Collateral

Serial Number	Collateral Type	Description	Added By	Deleted By
A50044	Motor Vehicle	2018 KOMATSU 830E-5	17047176	

Registration Details for Registration Number: 17060872

Province or Territory: Newfoundland and Labrador
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	17060872	2019-06-27 17:39	2026-06-27	

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
TACORA RESOURCES INC.
1 WABUSH MINES ROAD
PO BOX 300
WABUSH NL A0R1B0
Canada

Secured Parties

Type: Enterprise
KOMATSU INTERNATIONAL (CANADA) INC.
3755 BOUL MATTE, SUITE E
BROSSARD QC J4Y 2P4
Canada

General Collateral

ALL PRESENT AND AFTER ACQUIRED ATTACHMENTS, ACCESSORIES, CONTROLS, MOTORS, INSTRUMENTS, SPARE PARTS, APPURTENANCES, MANUALS, MANUFACTURERS WARRANTIES AND OTHER EQUIPMENT ASSOCIATED WITH ANY OF THE VEHICLE COLLATERAL TOGETHER WITH ALL PROCEEDS FROM THE VEHICLE COLLATERAL THAT ARE GOODS, ACCOUNTS, NOTES, INSTRUMENTS, SECURITIES, TRADE-INS, CHATTEL PAPER, DOCUMENTS OF TITLE, CONTRACT RIGHTS, RENTAL PAYMENTS, INSURANCE PAYMENTS, INTANGIBLES AND OTHER PROPERTY OR OBLIGATIONS RECEIVED WHEN ANY OF THE SAID COLLATERAL IS SOLD, DEALT WITH OR OTHERWISE DISPOSED OF OR ANY PROCEEDS THERE FROM. TERMS USED HEREIN WHICH ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT OF NEWFOUNDLAND SHALL HAVE THE MEANING ASCRIBED TO THEM IN SUCH ACT.

Serial Numbered Collateral

Serial Number	Collateral Type	Description	Added By	Deleted By
A50045	Motor Vehicle	2019 KOMATSU 830E-5	17060872	

Registration Details for Registration Number: 17096017

Province or Territory: Newfoundland and Labrador
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	17096017	2019-07-10 11:31	2029-07-10	AVS11415361
Amendment	17125279	2019-07-19 12:36	2029-07-10	AVS11415361

As listed in the Registration History section above, this registration has been the subject of an Amendment or Global Change to add or delete information. The following registration details provide the registration number for the Amendment that added or deleted information. If no "added by" or "deleted by" registration number is provided, the information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
TACORA RESOURCES INC.
102 NE Third Street Suite 120
Grand Rapids MN 55744
USA

Secured Parties

Type: Enterprise
Caterpillar Financial Services Limited
3457 Superior Court Unit 2
Oakville ON L6L0C4
Canada

General Collateral

2019 CATERPILLAR 994K WHEEL LOADER SN CAT0994KHSMX00207 TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL. PROCEEDS: GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.

Added by registration number 17125279

GENERAL COLLATERAL HAS BEEN REPLACED WITH NEW DESCRIPTION:

2019 CATERPILLAR 994K WHEEL LOADER SN CAT0994KHSMX00207 TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL. PROCEEDS: GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.

2019 CATERPILLAR 994K WHEEL LOADER SN CAT0994KHSMX00207 WITH 246" 22.50 YD3 ROCK BUCKET SN 7NW17895 TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS,

SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL. PROCEEDS: GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.

Additional Information

Added by registration number 17125279

GENERAL COLLATERAL HAS BEEN REPLACED WITH NEW DESCRIPTION:

2019 CATERPILLAR 994K WHEEL LOADER SN CAT0994KHSMX00207 TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL. PROCEEDS: GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.

2019 CATERPILLAR 994K WHEEL LOADER SN CAT0994KHSMX00207 WITH 246" 22.50 YD3 ROCK BUCKET SN 7NW17895 TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL. PROCEEDS: GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.

Registration Details for Registration Number: 17109539

Province or Territory: Newfoundland and Labrador

Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	17109539	2019-07-15 14:45	2026-07-15	

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise

TACORA RESOURCES INC.
 1 WABUSH MINES ROAD, PO BOX 300
 WABUSH NL A0R 1B0
 Canada

Secured Parties

Type: Enterprise
 KOMATSU INTERNATIONAL (CANADA) INC.
 3755 BOUL MATTE, SUITE E
 BROSSARD QC J4Y 2P4
 Canada

General Collateral

ALL PRESENT AND AFTER ACQUIRED ATTACHMENTS, ACCESSORIES, CONTROLS, MOTORS, INSTRUMENTS, SPARE PARTS, APPURTENANCES, MANUALS, MANUFACTURERS WARRANTIES AND OTHER EQUIPMENT ASSOCIATED WITH ANY OF THE VEHICLE COLLATERAL TOGETHER WITH ALL PROCEEDS FROM THE VEHICLE COLLATERAL THAT ARE GOODS, ACCOUNTS, NOTES, INSTRUMENTS, SECURITIES, TRADE-INS, CHATTEL PAPER, DOCUMENTS OF TITLE, CONTRACT RIGHTS, RENTAL PAYMENTS, INSURANCE PAYMENTS, INTANGIBLES AND OTHER PROPERTY OR OBLIGATIONS RECEIVED WHEN ANY OF THE SAID COLLATERAL IS SOLD, DEALT WITH OR OTHERWISE DISPOSED OF OR ANY PROCEEDS THERE FROM. TERMS USED HEREIN WHICH ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT OF NEWFOUNDLAND SHALL HAVE THE MEANING ASCRIBED TO THEM IN SUCH ACT.

Serial Numbered Collateral

Serial Number	Collateral Type	Description	Added By	Deleted By
A50046	Motor Vehicle	2019 KOMATSU 830E-5	17109539	

Registration Details for Registration Number: 17173667

Province or Territory: Newfoundland and Labrador
 Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	17173667	2019-08-06 14:15	2026-08-06	

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 TACORA RESOURCES INC.
 1 WABUSH MINES ROAD
 PO BOX 300

WABUSH NL A0R 1B0
Canada

Secured Parties

Type: Enterprise
KOMATSU INTERNATIONAL (CANADA) INC.
3755 BOUL MATTE, SUITE E
BROSSARD QC J4Y 2P4
Canada

General Collateral

ALL PRESENT AND AFTER ACQUIRED ATTACHMENTS, ACCESSORIES, CONTROLS, MOTORS, INSTRUMENTS, SPARE PARTS, APPURTENANCES, MANUALS, MANUFACTURERS WARRANTIES AND OTHER EQUIPMENT ASSOCIATED WITH ANY OF THE VEHICLE COLLATERAL TOGETHER WITH ALL PROCEEDS FROM THE VEHICLE COLLATERAL THAT ARE GOODS, ACCOUNTS, NOTES, INSTRUMENTS, SECURITIES, TRADE-INS, CHATTEL PAPER, DOCUMENTS OF TITLE, CONTRACT RIGHTS, RENTAL PAYMENTS, INSURANCE PAYMENTS, INTANGIBLES AND OTHER PROPERTY OR OBLIGATIONS RECEIVED WHEN ANY OF THE SAID COLLATERAL IS SOLD, DEALT WITH OR OTHERWISE DISPOSED OF OR ANY PROCEEDS THERE FROM. TERMS USED HEREIN WHICH ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT OF NEWFOUNDLAND & LABRADOR SHALL HAVE THE MEANING ASCRIBED TO THEM IN SUCH ACT.

Serial Numbered Collateral

Serial Number	Collateral Type	Description	Added By	Deleted By
A50052	Motor Vehicle	2019 KOMATSU 830E-5	17173667	

Registration Details for Registration Number: 17246471

Province or Territory: Newfoundland and Labrador
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	17246471	2019-08-29 15:41	2026-08-29	

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
TACORA RESOURCES INC.
1 WABUSH MINES ROAD, PO BOX 300
WABUSH NL A0R 1B0
Canada

Secured Parties

Type: Enterprise
 KOMATSU INTERNATIONAL (CANADA) INC.
 3755 BOUL MATTE, SUITE E
 BROSSARD QC J4Y 2P4
 Canada

General Collateral

ALL PRESENT AND AFTER ACQUIRED ATTACHMENTS, ACCESSORIES, CONTROLS, MOTORS, INSTRUMENTS, SPARE PARTS, APPURTENANCES, MANUALS, MANUFACTURERS WARRANTIES AND OTHER EQUIPMENT ASSOCIATED WITH ANY OF THE VEHICLE COLLATERAL TOGETHER WITH ALL PROCEEDS FROM THE VEHICLE COLLATERAL THAT ARE GOODS, ACCOUNTS, NOTES, INSTRUMENTS, SECURITIES, TRADE-INS, CHATTEL PAPER, DOCUMENTS OF TITLE, CONTRACT RIGHTS, RENTAL PAYMENTS, INSURANCE PAYMENTS, INTANGIBLES AND OTHER PROPERTY OR OBLIGATIONS RECEIVED WHEN ANY OF THE SAID COLLATERAL IS SOLD, DEALT WITH OR OTHERWISE DISPOSED OF OR ANY PROCEEDS THERE FROM. TERMS USED HEREIN WHICH ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT OF NEWFOUNDLAND SHALL HAVE THE MEANING ASCRIBED TO THEM IN SUCH ACT.

Serial Numbered Collateral

Serial Number	Collateral Type	Description	Added By	Deleted By
A50051	Motor Vehicle	2019 KOMATSU 830E-5	17246471	

Registration Details for Registration Number: 17266909

Province or Territory: Newfoundland and Labrador
 Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	17266909	2019-09-06 13:23	2026-09-06	

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 TACORA RESOURCES INC.
 1 WABUSH MINES ROAD
 PO BOX 300
 WABUSH NL A0R 1B0
 Canada

Secured Parties

Type: Enterprise
 KOMATSU INTERNATIONAL (CANADA) INC.
 3755 BOUL MATTE, SUITE E
 BROSSARD QC J4Y 2P4
 Canada

General Collateral

ALL PRESENT AND AFTER ACQUIRED ATTACHMENTS, ACCESSORIES, CONTROLS, MOTORS, INSTRUMENTS, SPARE PARTS, APPURTENANCES, MANUALS, MANUFACTURERS WARRANTIES AND OTHER EQUIPMENT ASSOCIATED WITH ANY OF THE VEHICLE COLLATERAL TOGETHER WITH ALL PROCEEDS FROM THE VEHICLE COLLATERAL THAT ARE GOODS, ACCOUNTS, NOTES, INSTRUMENTS, SECURITIES, TRADE-INS, CHATTEL PAPER, DOCUMENTS OF TITLE, CONTRACT RIGHTS, RENTAL PAYMENTS, INSURANCE PAYMENTS, INTANGIBLES AND OTHER PROPERTY OR OBLIGATIONS RECEIVED WHEN ANY OF THE SAID COLLATERAL IS SOLD, DEALT WITH OR OTHERWISE DISPOSED OF OR ANY PROCEEDS THERE FROM. TERMS USED HEREIN WHICH ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT OF NEWFOUNDLAND SHALL HAVE THE MEANING ASCRIBED TO THEM IN SUCH ACT.

Serial Numbered Collateral

Serial Number	Collateral Type	Description	Added By	Deleted By
A50053	Motor Vehicle	2019 KOMATSU 830E-5	17266909	

Registration Details for Registration Number: 17486747

Province or Territory: Newfoundland and Labrador
 Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	17486747	2019-11-26 14:00	2026-11-26	
Amendment	17486911	2019-11-26 14:56	2026-11-26	

As listed in the Registration History section above, this registration has been the subject of an Amendment or Global Change to add or delete information. The following registration details provide the registration number for the Amendment that added or deleted information. If no "added by" or "deleted by" registration number is provided, the information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 TACORA RESOURCES INC.
 1 WABUSH MINES ROAD, PO BOX 300
 WABUSH NL A0R1B0
 Canada

Secured Parties

Type: Enterprise
 KOMATSU INTERNATIONAL (CANADA) INC.
 3755 BOUL MATTE, SUITE E
 BROSSARD QC J4Y 2P4
 Canada

General Collateral

ALL PRESENT AND AFTER ACQUIRED ATTACHMENTS, ACCESSORIES, CONTROLS, MOTORS, INSTRUMENTS, SPARE PARTS, APPURTENANCES, MANUALS, MANUFACTURERS WARRANTIES AND OTHER EQUIPMENT ASSOCIATED WITH ANY OF THE VEHICLE COLLATERAL TOGETHER WITH ALL PROCEEDS FROM THE VEHICLE COLLATERAL THAT ARE GOODS, ACCOUNTS, NOTES, INSTRUMENTS, SECURITIES, TRADE-INS, CHATTEL PAPER, DOCUMENTS OF TITLE, CONTRACT RIGHTS, RENTAL PAYMENTS, INSURANCE PAYMENTS, INTANGIBLES AND OTHER PROPERTY OR OBLIGATIONS RECEIVED WHEN ANY OF THE SAID COLLATERAL IS SOLD, DEALT WITH OR OTHERWISE DISPOSED OF OR ANY PROCEEDS THERE FROM. TERMS USED HEREIN WHICH ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT OF NEWFOUNDLAND SHALL HAVE THE MEANING ASCRIBED TO THEM IN SUCH ACT.

Added by registration number 17486911

MEGA FUEL TANK SERIAL # 19-87124

Serial Numbered Collateral

Serial Number	Collateral Type	Description	Added By	Deleted By
10095	Motor Vehicle	KOMATSU 2016 HM400-5	17486747	

Registration Details for Registration Number: 17502287

Province or Territory: Newfoundland and Labrador
 Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	17502287	2019-12-02 15:00	2029-12-02	AVS12445063

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 TACORA RESOURCES INC.
 102 NE Third Street Suite 120
 Grand Rapids MN 55744
 USA

Secured Parties

Type: Enterprise
 CATERPILLAR FINANCIAL SERVICES LIMITED
 3457 SUPERIOR COURT UNIT 2
 OAKVILLE ON L6L0C4
 Canada

General Collateral

VIN CAT0279DLRB900642, MAKE CATERPILLAR, MODEL 279D3
 VIN CAT0279DKRB900973, MAKE CATERPILLAR, MODEL 279D3

2019 CATERPILLAR 279D3 COMPACT TRACK LOADER SN CAT0279DLRB900642
 2020 CATERPILLAR 279D3 COMPACT TRACK LOADER SN CAT0279DKRB900973

TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL.

PROCEEDS: GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.

Registration Details for Registration Number: 18300988

Province or Territory: Newfoundland and Labrador
 Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	18300988	2020-10-07 17:13	2024-10-07	AVS14454576

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 TACORA RESOURCES INC.
 102 NE Third Street Suite 120
 Grand Rapids MN 55744
 USA

Secured Parties

Type: Enterprise

CATERPILLAR FINANCIAL SERVICES LIMITED
 3457 SUPERIOR COURT UNIT 2
 OAKVILLE ON L6L0C4
 Canada

General Collateral

VIN CAT0016MJB9H00829, MAKE CATERPILLAR, MODEL 16M

2011 CATERPILLAR 16M MOTOR GRADER SN CAT0016MJB9H00829

TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL.

PROCEEDS: GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.

Registration Details for Registration Number: 18721027

Province or Territory: Newfoundland and Labrador

Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	18721027	2021-03-31 19:42	2028-03-31	
Amendment	18734525	2021-04-06 16:49	2028-03-31	

As listed in the Registration History section above, this registration has been the subject of an Amendment or Global Change to add or delete information. The following registration details provide the registration number for the Amendment that added or deleted information. If no "added by" or "deleted by" registration number is provided, the information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 TACORA RESOURCES INC.
 1 WABUSH MINES ROAD, PO BOX 300
 WABUSH NL A0E 1B0
 Canada

Secured Parties

Type: Enterprise
 KOMATSU INTERNATIONAL (CANADA) INC.
 3755 BOUL MATTE SUITE E

BROSSARD QC J4Y 2P4
Canada

General Collateral

ALL PRESENT AND AFTER ACQUIRED ATTACHMENTS, ACCESSORIES, CONTROLS, MOTORS, INSTRUMENTS, SPARE PARTS, APPURTENANCES, MANUALS, MANUFACTURERS WARRANTIES AND OTHER EQUIPMENT ASSOCIATED WITH ANY OF THE VEHICLE COLLATERAL TOGETHER WITH ALL PROCEEDS FROM THE VEHICLE COLLATERAL THAT ARE GOODS, ACCOUNTS, NOTES, INSTRUMENTS, SECURITIES, TRADE-INS, CHATTEL PAPER, DOCUMENTS OF TITLE, CONTRACT RIGHTS, RENTAL PAYMENTS, INSURANCE PAYMENTS, INTANGIBLES AND OTHER PROPERTY OR OBLIGATIONS RECEIVED WHEN ANY OF THE SAID COLLATERAL IS SOLD, DEALT WITH OR OTHERWISE DISPOSED OF OR ANY PROCEEDS THERE FROM. TERMS USED HEREIN WHICH ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT OF NEWFOUNDLAND AND LABRADOR SHALL HAVE THE MEANING ASCRIBED TO THEM IN SUCH ACT.

Serial Numbered Collateral

Serial Number	Collateral Type	Description	Added By	Deleted By
80070	Motor Vehicle	KOMATSU 2021 D375A-8	18721027	18734525
80070	Motor Vehicle	KOMATSU 2019 D375A-8	18734525	

Registration Details for Registration Number: 18734582

Province or Territory: Newfoundland and Labrador
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	18734582	2021-04-06 16:58	2028-04-06	

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
TACORA RESOURCES INC.
1 WABUSH MINES ROAD, PO BOX 300
WABUSH NL A0E 1B0
Canada

Secured Parties

Type: Enterprise
KOMATSU INTERNATIONAL (CANADA) INC.
3755 BOUL MATTE SUITE E
BROSSARD QC J4Y 2P4
Canada

General Collateral

ALL PRESENT AND AFTER ACQUIRED ATTACHMENTS, ACCESSORIES, CONTROLS, MOTORS, INSTRUMENTS, SPARE PARTS, APPURTENANCES, MANUALS, MANUFACTURERS WARRANTIES AND OTHER EQUIPMENT ASSOCIATED WITH ANY OF THE VEHICLE COLLATERAL TOGETHER WITH ALL PROCEEDS FROM THE VEHICLE COLLATERAL THAT ARE GOODS, ACCOUNTS, NOTES, INSTRUMENTS, SECURITIES, TRADE-INS, CHATTEL PAPER, DOCUMENTS OF TITLE, CONTRACT RIGHTS, RENTAL PAYMENTS, INSURANCE PAYMENTS, INTANGIBLES AND OTHER PROPERTY OR OBLIGATIONS RECEIVED WHEN ANY OF THE SAID COLLATERAL IS SOLD, DEALT WITH OR OTHERWISE DISPOSED OF OR ANY PROCEEDS THERE FROM. TERMS USED HEREIN WHICH ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT OF NEWFOUNDLAND AND LABRADOR SHALL HAVE THE MEANING ASCRIBED TO THEM IN SUCH ACT.

Serial Numbered Collateral

Serial Number	Collateral Type	Description	Added By	Deleted By
50022	Motor Vehicle	KOMATSU 2020 HD785-8	18734582	

Registration Details for Registration Number: 18734640

Province or Territory: Newfoundland and Labrador
 Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	18734640	2021-04-06 17:09	2028-04-06	

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 TACORA RESOURCES INC.
 1 WABUSH MINES ROAD, PO BOX 300
 WABUSH NL A0E 1B0
 Canada

Secured Parties

Type: Enterprise
 KOMATSU INTERNATIONAL (CANADA) INC.
 3755 BOUL MATTE SUITE E
 BROSSARD QC J4Y 2P4
 Canada

General Collateral

ALL PRESENT AND AFTER ACQUIRED ATTACHMENTS, ACCESSORIES, CONTROLS, MOTORS, INSTRUMENTS, SPARE PARTS, APPURTENANCES, MANUALS, MANUFACTURERS WARRANTIES AND OTHER EQUIPMENT ASSOCIATED WITH ANY OF THE VEHICLE COLLATERAL TOGETHER WITH ALL PROCEEDS FROM THE VEHICLE COLLATERAL THAT ARE GOODS, ACCOUNTS, NOTES, INSTRUMENTS, SECURITIES, TRADE-INS, CHATTEL PAPER, DOCUMENTS OF TITLE, CONTRACT RIGHTS, RENTAL PAYMENTS, INSURANCE PAYMENTS, INTANGIBLES AND OTHER PROPERTY OR OBLIGATIONS RECEIVED WHEN ANY OF THE SAID COLLATERAL IS SOLD, DEALT WITH OR OTHERWISE DISPOSED OF OR ANY PROCEEDS THERE FROM. TERMS USED HEREIN WHICH ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT OF NEWFOUNDLAND AND LABRADOR SHALL HAVE THE MEANING ASCRIBED TO THEM IN SUCH ACT.

Serial Numbered Collateral

Serial Number	Collateral Type	Description	Added By	Deleted By
90023	Motor Vehicle	KOMATSU 2020 WA900-8	18734640	

Registration Details for Registration Number: 18837112

Province or Territory: Newfoundland and Labrador
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	18837112	2021-05-05 16:56	2031-05-05	
Amendment	19605864	2022-02-05 10:24	2031-05-05	
Amendment	19615681	2022-02-10 15:00	2031-05-05	30026085-2

As listed in the Registration History section above, this registration has been the subject of an Amendment or Global Change to add or delete information. The following registration details provide the registration number for the Amendment that added or deleted information. If no "added by" or "deleted by" registration number is provided, the information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
TACORA RESOURCES INC.
102 NE 3RD STREET, SUITE 120
GRAND RAPIDS MN 55744
USA

Secured Parties

The Secured Party below was deleted by registration number 19605864
Type: Enterprise
~~WELLS FARGO BANK, NATIONAL ASSOCIATION, AS NOTES COLLATERAL AGENT
600 SOUTH FOURTH STREET, MAC N9300-
070, ATTENTION TACORA RESOURCES INC.-
CTSADMINISTRATOR
MINNEAPOLIS MN 55415~~

USA

The Secured Party below was added by registration number 19605864
 The Secured Party below was deleted by registration number 19615681
 Type: ~~Enterprise~~
~~Computershare Trust Company, N.A.~~
~~Giordano, Patrick~~
~~Vice President~~
~~8800 Bay Meadows Way W.~~
~~Suite 300~~
~~Jacksonville FL 32256~~
~~USA~~
~~Phone #: 214-202-7740~~

The Secured Party below was added by registration number 19615681
 Type: Enterprise
 Computershare Trust Company, N.A. as Notes Collateral Agent
 Giordano, Patrick
 Vice President
 8800 Bay Meadows Way W.
 Suite 300
 Jacksonville FL 32256
 USA
 Phone #: 214-202-7740

General Collateral

All present and after acquired personal property of the Debtor and the proceeds and products, whether tangible or intangible, thereof.

Registration Details for Registration Number: 18928341

Province or Territory: Newfoundland and Labrador
 Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	18928341	2021-05-31 12:01	2028-05-31	

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 TACORA RESOURCES INC.
 1 WABUSH MINES ROAD, PO BOX 300
 Wabush NL A0E 1B0
 Canada

Secured Parties

Type: Enterprise
 KOMATSU INTERNATIONAL (CANADA) INC.
 3755 BOUL MATTE SUITE E
 BROSSARD QC J4Y 2P4
 Canada

General Collateral

ALL PRESENT AND AFTER ACQUIRED ATTACHMENTS, ACCESSORIES, CONTROLS, MOTORS, INSTRUMENTS, SPARE PARTS, APPURTENANCES, MANUALS, MANUFACTURERS WARRANTIES AND OTHER EQUIPMENT ASSOCIATED WITH ANY OF THE VEHICLE COLLATERAL TOGETHER WITH ALL PROCEEDS FROM THE VEHICLE COLLATERAL THAT ARE GOODS, ACCOUNTS, NOTES, INSTRUMENTS, SECURITIES, TRADE-INS, CHATTEL PAPER, DOCUMENTS OF TITLE, CONTRACT RIGHTS, RENTAL PAYMENTS, INSURANCE PAYMENTS, INTANGIBLES AND OTHER PROPERTY OR OBLIGATIONS RECEIVED WHEN ANY OF THE SAID COLLATERAL IS SOLD, DEALT WITH OR OTHERWISE DISPOSED OF OR ANY PROCEEDS THERE FROM. TERMS USED HEREIN WHICH ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT OF NEWFOUNDLAND AND LABRADOR SHALL HAVE THE MEANING ASCRIBED TO THEM IN SUCH ACT.

Serial Numbered Collateral

Serial Number	Collateral Type	Description	Added By	Deleted By
A50123	Motor Vehicle	KOMATSU 2021 830E-5	18928341	

Registration Details for Registration Number: 18928457

Province or Territory: Newfoundland and Labrador
 Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	18928457	2021-05-31 12:12	2028-05-31	

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 TACORA RESOURCES INC.
 1 WABUSH MINES ROAD, PO BOX 300
 Wabush NL A0E 1B0
 Canada

Secured Parties

Type: Enterprise
 KOMATSU INTERNATIONAL (CANADA) INC.
 3755 BOUL MATTE SUITE E
 BROSSARD QC J4Y 2P4
 Canada

General Collateral

ALL PRESENT AND AFTER ACQUIRED ATTACHMENTS, ACCESSORIES, CONTROLS, MOTORS, INSTRUMENTS, SPARE PARTS, APPURTENANCES, MANUALS, MANUFACTURERS WARRANTIES AND OTHER EQUIPMENT ASSOCIATED WITH ANY OF THE VEHICLE COLLATERAL TOGETHER WITH ALL PROCEEDS FROM THE VEHICLE COLLATERAL THAT ARE GOODS, ACCOUNTS, NOTES, INSTRUMENTS, SECURITIES, TRADE-INS, CHATTEL PAPER, DOCUMENTS OF TITLE, CONTRACT RIGHTS, RENTAL PAYMENTS, INSURANCE PAYMENTS, INTANGIBLES AND OTHER PROPERTY OR OBLIGATIONS RECEIVED WHEN ANY OF THE SAID COLLATERAL IS SOLD, DEALT WITH OR OTHERWISE DISPOSED OF OR ANY PROCEEDS THERE FROM. TERMS USED HEREIN WHICH ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT OF NEWFOUNDLAND AND LABRADOR SHALL HAVE THE MEANING ASCRIBED TO THEM IN SUCH ACT.

Serial Numbered Collateral

Serial Number	Collateral Type	Description	Added By	Deleted By
A50124	Motor Vehicle	KOMATSU 2021 830E-5	18928457	

Registration Details for Registration Number: 18939819

Province or Territory: Newfoundland and Labrador
 Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	18939819	2021-06-02 14:07	2026-06-02	961927142-5365 47300

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 TACORA RESOURCES INC.
 1 WABUSH MINES RD
 WABUSH NL A0R1B0
 Canada

Secured Parties

Type: Enterprise

XEROX CANADA LTD
 20 YORK MILLS ROAD, SUITE 500 BOX 700
 TORONTO ON M2P2C2
 Canada

General Collateral

ALL PRESENT AND FUTURE OFFICE EQUIPMENT AND SOFTWARE SUPPLIED OR FINANCED FROM TIME TO TIME BY THE SECURED PARTY (WHETHER BY LEASE, CONDITIONAL SALE OR OTHERWISE), WHETHER OR NOT MANUFACTURED BY THE SECURED PARTY OR ANY AFFILIATE THEREOF, AND ALL PROCEEDS THEREOF.

Registration Details for Registration Number: 20004685

Province or Territory: Newfoundland and Labrador

Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	20004685	2022-07-06 09:31	2025-07-06	

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 TACORA RESOURCES INC.
 1 Wabush Mines Road
 Wabush NL A0R 1B0
 Canada

Secured Parties

Type: Enterprise
 KOMATSU INTERNATIONAL (CANADA) INC.
 375, boul Matte Suite E
 Brossard QC J4Y 2P4
 Canada

General Collateral

2017 Komatsu
 Model: D155AX-8
 Serial number: 100100
 including all attachments and accessories

Serial Numbered Collateral

Serial Number	Collateral Type	Description	Added By	Deleted By
100100	Motor Vehicle	2017 Komatsu D155AX-8	20004685	

Additional Information

Value: 424,568\$

Registration Details for Registration Number: 20004693

Province or Territory: Newfoundland and Labrador

Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	20004693	2022-07-06 09:37	2025-07-06	

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
TACORA RESOURCES INC.
1 Wabush Mines Road
Wabush NL A0R 1B0
Canada

Secured Parties

Type: Enterprise
KOMATSU INTERNATIONAL (CANADA) INC.
3755 Boul. Matte suite E
Brossard QC J4Y 2P4
Canada
Phone #: 450-619-2106
Fax #: 450-444-4310

General Collateral

2016 Komatsu
Model: D155AX-8
Serial number: 100024
including all attachments and accessories

Serial Numbered Collateral

Serial Number	Collateral Type	Description	Added By	Deleted By
100024	Motor Vehicle	2016 Komatsu D155AX-8	20004693	

Additional Information

Value: 423,602\$

Registration Details for Registration Number: 20004727

Province or Territory: Newfoundland and Labrador
 Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	20004727	2022-07-06 09:42	2025-07-06	

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 TACORA RESOURCES INC.
 1 Wabush Mines Road
 Wabush NL A0R 1B0
 Canada

Secured Parties

Type: Enterprise
 KOMATSU INTERNATIONAL (CANADA) INC.
 3755 boul. Matte suite E
 Brossard QC J4Y 2P4
 Canada
 Phone #: 450-619-2106
 Fax #: 450-444-4310

General Collateral

2019 Komatsu
 Model: PC490LC-11
 Serial number: A42062
 including all attachments and accessories

Serial Numbered Collateral

Serial Number	Collateral Type	Description	Added By	Deleted By
A42062	Motor Vehicle	2019 Komatsu PC490LC-11	20004727	

Additional Information

Value: 500,300\$

Registration Details for Registration Number: 20037578

Province or Territory: Newfoundland and Labrador
 Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	20037578	2022-07-15 17:35	2026-07-15	AVS21346555

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 TACORA RESOURCES INC.
 102 NE Third Street Suite 120
 Grand Rapids MN 55744
 USA

Secured Parties

Type: Enterprise
 CATERPILLAR FINANCIAL SERVICES LIMITED
 1122 INTERNATIONAL BLVD 4TH FL
 BURLINGTON ON L6L0C4
 Canada

General Collateral

VIN CAT0374FVXWL00180, MAKE CATERPILLAR, MODEL 374FL

2019 CATERPILLAR 374FL LARGE HYDRAULIC EXCAVATOR SN CAT0374FVXWL00180

TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL.

PROCEEDS: GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.

Registration Details for Registration Number: 20469102

Province or Territory: Newfoundland and Labrador
 Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	20469102	2023-01-05 13:20	2033-01-05	224364

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 Tacora Resources Inc.
 Broking, Joe
 President and CEO
 102 NE 3rd Street, Suite 120
 Grand Rapids MN 55744
 USA

Secured Parties

Type: Enterprise
 Cargill International Trading Pte Ltd.
 138 Market Street, # 17-01
 CapitaGreen - 048946
 Singapore

General Collateral

All of the debtor's present and after-acquired personal property.

Registration Details for Registration Number: 20778601

Province or Territory: Newfoundland and Labrador
 Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	20778601	2023-05-12 17:20	2028-05-12	53385275

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
TACORA RESOURCES INC.
10 FORT WILLIAM PLACE PO BOX 5939
St. John's NL A1C5X4
Canada

Secured Parties

Type: Enterprise
Ford Credit Canada Company
Box 1800 RPO LAKESHORE WEST
OAKVILLE ON L6K 0J8
Canada

Serial Numbered Collateral

Serial Number	Collateral Type	Description	Added By	Deleted By
1FTEW1EP3NFC12976	Motor Vehicle	2022 FORD F150	20778601	

Registration Details for Registration Number: 21084272

Province or Territory: Newfoundland and Labrador
Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	21084272	2023-08-30 17:59	2028-08-30	54838716

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
TACORA RESOURCES INC.
10 FORT WILLIAM PLACE PO BOX 5
St. John's NL A1C5X4
Canada

Secured Parties

Type: Enterprise

The Bank of Nova Scotia
 10 Wright Boulevard
 Stratford ON N5A7X9
 Canada

General Collateral

OUR SECURITY INTEREST IS LIMITED TO THE MOTOR VEHICLES LISTED ABOVE AND THE PROCEEDS OF THOSE VEHICLES

Serial Numbered Collateral

Serial Number	Collateral Type	Description	Added By	Deleted By
2FMPK4J92MBA29884	Motor Vehicle	2021 Ford Edge	21084272	

Registration Details for Registration Number: 21084280

Province or Territory: Newfoundland and Labrador
 Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	21084280	2023-08-30 17:59	2028-08-30	54838717

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 TACORA RESOURCES INC.
 10 FORT WILLIAM PLACE PO BOX 5
 St. John's NL A1C5X4
 Canada

Secured Parties

Type: Enterprise
 The Bank of Nova Scotia
 10 Wright Boulevard
 Stratford ON N5A7X9
 Canada

General Collateral

OUR SECURITY INTEREST IS LIMITED TO THE MOTOR VEHICLES LISTED ABOVE AND THE PROCEEDS OF THOSE VEHICLES

Serial Numbered Collateral

Serial Number	Collateral Type	Description	Added By	Deleted By
1GCPYCEFXKZ423608	Motor Vehicle	2019 Chevrolet New Silverado 1500	21084280	

Registration Details for Registration Number: 17097320

Province or Territory: Newfoundland and Labrador

Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	17097320	2019-07-10 14:52	2025-07-10	

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
TACORA RESOURCES INC
1 WABUSH MINES RD
WABUSH NL A0R1B0
Canada

Secured Parties

Type: Enterprise
KOMATSU INTERNATIONAL (CANADA) INC.
3755 BOUL MATTE SUITE E
BROSSARD QC J4Y2P4
Canada

General Collateral

MODULAR MINING SYSTEMS DISPATCH SOLUTION, SOLUTIONS HARDWARE, MODULAR MINING LICENSES DISPATCH, PROVISION, AND INTELLIMINE LICENSE, PO0160

Registration Details for Registration Number: 20778593

Province or Territory: Newfoundland and Labrador

Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time (Atlantic) (YYYY-MM-DD hh:mm)	Expiry Date (YYYY-MM-DD)	File Number
Original	20778593	2023-05-12 17:18	2028-05-12	53385317

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
TACORA RESOURECES INC.
10 FORT WILLIAM PLACE
St. John's NL A1C5X4
Canada

Secured Parties

Type: Enterprise
Ford Credit Canada Company
Box 1800 RPO LAKESHORE WEST
OAKVILLE ON L6K 0J8
Canada

Serial Numbered Collateral

Serial Number	Collateral Type	Description	Added By	Deleted By
1FTEW1EP5NKE78491	Motor Vehicle	2022 FORD F150	20778593	


END OF REPORT

EXHIBIT "I"

referred to in the Affidavit of

JOE BROKING

Sworn October 9, 2023

DocuSigned by:


36124C4218DD47C...

Commissioner for Taking Affidavits
Philip Yang

AMENDMENT NO. 1 TO AMENDED AND RESTATED ADVANCE PAYMENTS FACILITY AGREEMENT

THIS AMENDING AGREEMENT made as of the 23 day of June, 2023.

AMONG:

TACORA RESOURCES INC., together with its successors and assigns
(the “**Seller**”)

- and -

CARGILL INTERNATIONAL TRADING PTE LTD., solely in its
capacity as lender, together with its successors and assigns
(the “**Buyer**”)

1. DEFINITIONS

Capitalized terms used in this Amending Agreement (this “**Amending Agreement**”) but not otherwise defined in this Amending Agreement are defined in the Amended and Restated Advance Payments Facility Agreement dated as of May 29, 2023 among the Seller and the Buyer (the “**A&R APF Agreement**”).

2. AMENDMENTS TO THE A&R APF AGREEMENT

In consideration of the covenants, conditions, agreements and promises contained in this Amending Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Seller and the Buyer, the Seller and the Buyer hereby agree to amend the A&R APF Agreement as set forth in Schedule A hereto by deleting the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and by adding the underlined text (indicated textually in the same manner as the following example: underlined text).

3. CONDITIONS PRECEDENT TO AMENDING AGREEMENT

3.1 The effectiveness of this Amending Agreement shall be subject to the following conditions precedent, all of which shall be for the benefit of the Buyer and shall be satisfied on or prior to the date hereof, in each case in form and substance satisfactory to the Buyer:

- (a) the Buyer shall have received evidence of amendments to the Indenture permitting, among other things, the amendments to the A&R APF Agreement contemplated hereunder and further extending the interest payment cure period thereunder, together with such supporting opinions addressed to the Buyer, in form and substance satisfactory to it;

- (b) receipt by the Buyer of an updated Cash Flow Forecast (through to September 12, 2023) in form and substance satisfactory to the Buyer; and
- (c) (i) all representations and warranties contained in the A&R APF Agreement and the Financing Documents shall be true and correct as of the date hereof as if made on such date, (ii) no Default or Event of Default shall have occurred and is continuing and (iii) there shall have been no Material Adverse Effect, and the Buyer shall have received a certification from an officer of the Seller, without personal liability, to that effect.

4. MISCELLANEOUS

4.1 Further Assurances

The Seller shall at its expense, from time to time do, execute and deliver, all such further acts, documents (including, without limitation, certificates, declarations, affidavits, reports and opinions) and things as the Buyer may reasonably request for the purpose of giving effect to this Amending Agreement.

4.2 Continuing Effect

Each of the Seller and the Buyer acknowledges and agrees that the A&R APF Agreement, as amended by this Amending Agreement, continues in full force and effect and is hereby ratified and confirmed. Provisions of the A&R APF Agreement that have not been amended by this Amending Agreement remain in full force and effect, unamended. This Amending Agreement shall not, except as expressly provided herein, operate as an amendment or waiver of any right or remedy of any party under the A&R APF Agreement nor constitute a waiver of any provision thereof.

4.3 Disclosure

No press release or other public disclosure concerning the transactions contemplated herein shall be made by the Seller without the prior consent of the Buyer (such consent not to be unreasonably withheld); *provided*, however, that the Seller shall, after providing the Buyer and its Advisors with copies of all related documents and an opportunity to consult with the Buyer and its Advisors as to the contents, make prompt disclosure of the material terms of this Amending Agreement and make such disclosure as may be required by applicable law, by any Governmental Entity having jurisdiction over the Seller. Notwithstanding the foregoing, no information with respect to the identity of the Buyer shall be disclosed by the Seller except as may be required by applicable law, or by any Governmental Entity having jurisdiction over the Seller.

4.4 Conflict

To the extent that there is any inconsistency between this Amending Agreement and the A&R APF Agreement or any of other Financing Documents, this Amending Agreement shall govern.

4.5 **Amendments and Waivers**

This Amending Agreement shall only be amended or waived with the consent of the Buyer and the Seller in writing.

4.6 **Governing Law**

This Amending Agreement shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein.

4.7 **Confidentiality**

This Amending Agreement is being executed on a highly confidential basis on the understanding that this Amending Agreement, any related documents, the existence and contents thereof and the existence and contents of any discussions related thereto (“**Confidential Information**”) shall not be disclosed by the Seller or the Buyer to any third party or made public without the prior written consent of the other party, except for disclosure to such party’s legal and financial advisors, directors, officers and employees who are bound by the terms of confidentiality arrangements to keep all such Confidential Information confidential (with the applicable party bearing all risk of such disclosure).

4.8 **Counterparts; Electronic Signatures**

This Amending Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signatures provided by electronic transmission shall be valid and binding.

4.9 **Indemnity**

The Seller shall indemnify and hold harmless the Buyer and its Affiliates, and each such Person’s respective officers, directors, shareholders, employees, legal counsel, agents and representatives (each, an “**Indemnified Person**”), from and against any and all suits, actions, proceedings, orders, claims, damages, losses, liabilities and expenses (including reasonable and documented legal fees and disbursements and other costs of investigation or defense, including those incurred upon any appeal) that may be instituted or asserted against or incurred by any such Indemnified Person as a result of or in connection with (i) the breach by the Seller of its obligations in connection with or arising out of the transactions contemplated under this Amending Agreement and the other documents related thereto and any actions or failures to act in connection therewith including the taking of any enforcement actions by the Buyer and (ii) all legal costs and expenses arising out of or incurred in connection with disputes between or among the Buyer, the Seller and/or any other party or parties to any of the documents related thereto (collectively, “**Indemnified Liabilities**”); provided that the Seller shall not be liable for any indemnification to an Indemnified Person to the extent that any such suit, action, proceeding, claim, damage, loss, liability or expense results from that Indemnified Person’s gross negligence or wilful misconduct. No Indemnified Person shall be responsible or liable to any other party to any document related thereto, any successor, assignee or third party beneficiary of such Person or any other Person asserting claims derivatively through such party, for indirect, punitive,

exemplary or consequential damages which may be alleged as a result of any transaction contemplated hereunder or under any of the documents related thereto.

4.10 No Waiver

The Buyer's failure, at any time or times, to require strict performance by the Seller of any provision of this Amending Agreement or any other document related thereto shall not waive, affect or diminish any right of the Buyer thereafter to demand strict compliance and performance herewith or therewith. Any suspension or waiver of an Event of Default shall not suspend, waive or affect any other Event of Default whether the same is prior or subsequent thereto and whether the same or of a different type. Except as otherwise provided for herein, none of the undertakings, agreements, warranties, covenants and representations of the Seller contained in this Amending Agreement or any of the other documents related thereto and no Default or Event of Default shall be deemed to have been suspended or waived by the Buyer, as applicable, unless such waiver or suspension is by an instrument in writing from the Buyer and directed to the Seller specifying such suspension or waiver.

4.11 Remedies

The Buyer's rights and remedies under this Amending Agreement shall be cumulative and nonexclusive of any other rights and remedies that the Buyer may have under any other agreement, including the other documents related thereto, by operation of law or otherwise. Recourse to the Collateral shall not be required.

4.12 Severability

Wherever possible, each provision of this Amending Agreement and the other documents related thereto shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Amending Agreement or any other document related thereto shall be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Amending Agreement or such other document related thereto.

4.13 Section Titles

The Section titles contained in this Amending Agreement are and shall be without substantive meaning or content of any kind whatsoever and are not a part of the agreement between the parties hereto.

4.14 Reinstatement

This Amending Agreement shall remain in full force and effect and continue to be effective should any petition or other proceeding be filed by or against the Seller for liquidation or reorganization, should the Seller become insolvent or make an assignment for the benefit of any creditor or creditors or should an interim receiver, receiver, receiver and manager or trustee be appointed for all or any significant part of the Seller's assets, and shall continue to be effective or to be reinstated, as the case may be, if at any time payment and performance of the obligations under the Advances, or any part thereof, is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the Advances, whether as a

fraudulent preference, reviewable transaction or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the obligations under the Advances shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

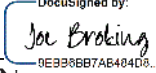
4.15 No Strict Construction

The parties hereto have participated jointly in the negotiation and drafting of this Amending Agreement. In the event an ambiguity or question of intent or interpretation arises, this Amending Agreement shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favouring or disfavouring any party by virtue of the authorship of any provisions of this Amending Agreement.

[Remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Amending Agreement to be executed by their duly authorized representatives as of the date first written above.

TACORA RESOURCES INC., as Seller

Per:  _____
Name: _____
Title: _____

**CARGILL INTERNATIONAL
TRADING PTE LTD., as Buyer**

Per: _____
Name: _____
Title: _____

Per: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the parties hereto have caused this Amending Agreement to be executed by their duly authorized representatives as of the date first written above.

TACORA RESOURCES INC., as Seller

Per: _____
Name:
Title:

**CARGILL INTERNATIONAL
TRADING PTE LTD., as Buyer**

Per: Philip Mulvihill
Name:
Title:

Per: _____
Name:
Title:

SCHEDULE A

Amendments to A&R APF Agreement

See attached.

Amendment No. 1 to A&R APF Agreement

~~Execution Copy~~

As Amended by Amendment No. 1.

**AMENDED AND RESTATED
ADVANCE PAYMENTS FACILITY AGREEMENT**

by and among:

**TACORA RESOURCES INC.
as Seller**

and

**CARGILL INTERNATIONAL TRADING PTE LTD.
as Buyer**

Dated May 29, 2023

~~Execution Copy~~

As Amended by Amendment No. 1.

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AMENDED AND RESTATED ADVANCE PAYMENTS FACILITY AGREEMENT

THIS AGREEMENT made as of the 29th day of May, 2023.

AMONG:

TACORA RESOURCES INC., together with its successors and assigns
(the “**Seller**”)

- and -

CARGILL INTERNATIONAL TRADING PTE LTD., solely in its
capacity as lender, together with its successors and assigns
(the “**Buyer**”)

RECITALS:

WHEREAS the Seller and the Buyer are parties to that certain Advance Payments Facility Agreement made as of January 3, 2023 (the “**Original Facility Agreement**”), as amended by an amending agreement made as of April 29, 2023 (the “**First Amendment**”), and as supplemented by a consent dated as of May 11, 2023 (collectively, the “**Existing Facility Agreement**”).

AND WHEREAS, the Seller and the Buyer wish to amend and restate, in its entirety and without novation, the Existing Facility Agreement pursuant to this Agreement.

NOW THEREFORE in consideration of the covenants, conditions, agreements and promises contained herein and for other consideration, the receipt and sufficiency of which are acknowledged, the Seller and the Buyer hereby agree as follows:

1. DEFINITIONS

Capitalized terms used in this Agreement are defined on Schedule C.

2. ADVANCE PAYMENT TERMS

2.1 Advance Payment

The Seller requested and the Buyer made, by way of the Original Advances, an advance payment under the Offtake Agreement, against future deliveries of Product thereunder in accordance with the terms of this Agreement and the Offtake Agreement, in order to provide liquidity and financing to the Seller.

The Original Advances constitute an advance payment against delivery of Product in accordance with the Offtake Agreement, it being agreed as follows:

- (a) Until the Termination Date, the Buyer shall pay the Purchase Price for deliveries of Product in accordance with the terms of the Offtake Agreement and such

- 2 -

deliveries shall not be credited against the outstanding balance of the funded Original Advances.

- (b) The Seller shall use its reasonable best efforts to deliver a minimum of 55,000 DMT of the Product over each four-week period, or such other amount as may be agreed between the Seller and the Buyer from time to time in their sole discretion.
- (c) Upon the occurrence of the Termination Date, the outstanding Original Advances (including the Floor Price Premium), together with all other Advances, shall be repaid in accordance with Section 4.

2.2 **Margin Advances and Additional Prepay Advances**

In addition to the Original Advances, the Seller has requested and the Buyer has agreed to make additional advances of credit in connection with the Offtake Agreement, on the following terms:

- (a) Margin Advances. The Seller has requested and the Buyer has agreed to make the following advances in order to fund any Margin Amount owing as of the Effective Date and any additional amount required to be paid by the Seller and held by the Buyer under the Offtake Agreement from time to time, on the following terms:

- (i) ~~(a)~~ The Seller and the Buyer agree that the Offtake Agreement shall be amended, pursuant to this clause 2.2(a)(i) for the period from the Effective Date until the later of ~~(iA)~~ the date on which the Buyer, at its option, elects to no longer make the Margin Advances available to the Seller pursuant to this Agreement and ~~(iiB)~~ the date on which all Senior Priority Obligations are indefeasibly repaid in full in cash (such later date being the “**Offtake Amendment Termination Date**”), in order to remove the threshold set out therein in respect of any Margin Amount owed by the Seller (but for certainty, not any threshold set out therein in respect of any Margin Amount owed by the Buyer). In particular, the Seller and the Buyer agree that Section 15.3 of the Offtake Agreement shall be amended, pursuant to this clause 2.2(a) for the duration of the term of this Agreement, to ~~(iA)~~ delete the words “and greater than \$7.5 million” and ~~(iiB)~~ delete the words “less \$5 million” from the second sentence of Section 15.3. For greater certainty, the Seller and the Buyer agree that (1) for purposes of determining the Margin Amount owing under the Offtake Agreement on any Calculation Date, the calculation shall not include any amounts owing in respect of the Margin Advance Fee; and (2) clause 2.2(a)(i) does not limit the Buyer’s obligation to make available Margin Advances until the Termination Date in accordance with and subject to this Agreement.

- (ii) ~~(b)~~ Subject to, and after giving effect to, the amendment to the Offtake Agreement set out in clause 2.2(a)(i), above:

- (A) ~~(i)~~ The net amount owing to the Buyer by the Seller as of the Effective Date in respect of, without duplication: ~~(A1)~~ any Margin

- 3 -

Amount and ~~(B2)~~ any FPM Payable Amount under clause 13.2 of the Offtake May Side Letter, if any, shall be deemed to be an advance made by the Buyer to the Seller on the Effective Date (the “**Initial Margin Advance**”);

~~(B)~~ ~~(ii)~~ from and after the Effective Date, if, on any Calculation Date, the net amount owing to the Buyer by the Seller in respect of, without duplication: ~~(A1)~~ any Margin Amount, ~~(B2)~~ any FPM Payable Amount under clause 13.2 of the Offtake May Side Letter and ~~(C3)~~ other amounts in respect of margin pursuant to additional hedging arrangements entered into by the Buyer and the Seller from time to time (collectively the “**Seller Offtake Margin Amounts**”), if any, such that the Buyer is entitled to hold margin on such Calculation Date in an amount equal to such Seller Offtake Margin Amounts, such margin requirement shall be satisfied by way of a deemed advance from the Buyer to the Seller under this Agreement (together with the Initial Margin Advance, each, a “**Margin Advance**”), which Margin Advance shall then be held by the Buyer as margin under Section 15.3 of the Offtake Agreement;

~~(C)~~ ~~(iii)~~ the amount outstanding under the Margin Advances shall be recalculated on each Calculation Date and increased or decreased to reflect the Seller Offtake Margin Amounts, if any, required to be paid by the Seller to the Buyer thereunder and held by the Buyer as margin in accordance with Section 15.3 of the Offtake Agreement, it being understood that if at any time the Seller Offtake Margin Amounts (inclusive of the Margin Advance Fee) are zero or are owed by the Buyer to the Seller, then the amount outstanding under the Margin Advances shall be zero.

~~(iii)~~ ~~(e)~~ The Margin Advances may, at the option of the Seller be repaid at any time in whole or in part without premium or penalty. Any amount of the Margin Advances so repaid shall remain available to be re-advanced in accordance with this Section 2.2, until the Termination Date.

(b) Additional Prepay Advances. The Buyer may, in its sole discretion, upon request of the Seller in accordance with Section 2.3(c), make one or more additional advance payments under the Offtake Agreement against future deliveries of Product thereunder (each such additional advance being, an “**Additional Prepay Advance**”), which Additional Prepay Advances shall be in accordance with the terms of this Agreement, and which shall be used to provide additional liquidity and financing to the Seller, on the following terms:

(i) Each Additional Prepay Advance shall constitute an advance payment against delivery of Product in accordance with the Offtake Agreement.

(ii) The Additional Prepay Advances shall be repayable on demand, in accordance with Section 4.

- 4 -

- (iii) Until the earlier of (1) the date which is five (5) Business Days following the date on which the Buyer demands repayment of the Additional Prepay Advances and (2) the Termination Date, the Buyer shall pay the Purchase Price for deliveries of Product in accordance with the terms of the Offtake Agreement and such deliveries shall not be credited against the outstanding balance of the funded Additional Prepay Advances, provided that, if the Termination Date occurs solely as a result of an Event of Default arising from the Seller's failure to repay the Additional Prepay Advances on demand (absent any other Event of Default), the Buyer shall continue pay the Purchase Price for deliveries of Product in accordance with the terms of the Offtake Agreement until the date which is five (5) Business Days after the Buyer demands repayment of the Additional Prepay Advances.
- (iv) Upon the earlier of (1) the date on which the Buyer demands repayment of the Additional Prepay Advances and (2) the occurrence of the Termination Date, the outstanding Additional Prepay Advances shall be repaid in accordance with Section 4.
- (v) The Additional Prepay Advances may, at the option of the Seller, be repaid at any time in whole or in part without premium or penalty.
- (c) ~~(d)~~ Maximum Senior Priority Advance Amount. The Seller shall not be permitted to incur ~~Margin Advances hereunder in excess of the Maximum Margin~~ any Margin Advance or Additional Prepay Advance, as applicable, hereunder in an amount that would, together with the amount of all Margin Advances (including the Margin Advance Fee) and Additional Prepay Advances then outstanding, exceed, in the aggregate, the Maximum Senior Priority Advance Amount, and if at any time the aggregate amount of all Margin Advances exceeds (including the Margin Advance Fee) together with all Additional Prepay Advances exceeds, in the aggregate, the Maximum ~~Margin-Senior Priority~~ Advance Amount, the Seller shall immediately pay to the Buyer such amount, in cash, as is required to reduce the aggregate amount of all Margin Advances and Additional Prepay Advances to an amount equal to or less than the Maximum ~~Margin-Senior Priority~~ Advance Amount (the "Excess Margin-Senior Priority Advance Amount". Failure to pay the Excess ~~Margin-Senior Priority~~ Advance Amount at any time shall constitute an Event of Default hereunder.
- (d) ~~(e)~~ Upon the occurrence of the Termination Date, (i) the outstanding Margin Advances (including the Margin Advance Fee) and Additional Prepay Advances, together with all other Advances, shall be repaid in accordance with Section 4 and (ii) provided that the Offtake Amendment Termination Date has occurred, the amendments to the Offtake Agreement set forth in Section 2.2(a)(i) shall be of no further force and effect and the Offtake Agreement shall revert to its terms as in effect prior to the amendments contemplated by Section 2.2(a)(i).
- (e) ~~(f)~~ The Margin Advances (including the Margin Advance Fee) and the Additional Prepay Advances shall constitute the "Senior Secured Hedging Facility" under the

Indenture and shall constitute Senior Priority Obligations hereunder and “Senior Priority Obligations” under the Indenture and the Senior Priority Intercreditor Agreement.

2.3 Funding of Advances

- (a) Original Advances. The funding of the Original Advances pursuant to this Agreement occurred on (i) January 9, 2023, in respect of the Initial Advance (the “**Initial Advance Date**”) (on which date the deemed advance of the Floor Price Premium also occurred and (ii) February 24, 2023, in respect of a Subsequent Advance (as defined in the Existing Facility Agreement) of \$5,000,000 and form part of the Obligations hereunder. The Original Advances constitute Pari Passu Indebtedness under the Indenture and the Pari Passu Intercreditor Agreement.
- (b) Margin Advances. The funding of the Initial Margin Advance, together with the Margin Advance Fee shall be deemed to be funded by the Buyer on the Effective Date, and any subsequent Margin Advance shall be deemed to be funded by the Buyer on each Calculation Date. The Margin Advances (including the Margin Advance Fee) and the Additional Prepay Advances shall constitute the “Senior Secured Hedging Facility” under the Indenture, shall form part of the Obligations hereunder, and shall constitute Senior Priority Obligations hereunder and “Senior Priority Obligations” under the Indenture and the Senior Priority Intercreditor Agreement.
- (c) Additional Prepay Advances. The Additional Prepay Advances may be funded by the Buyer, in its sole discretion upon written request (which may be my e-mail) by the Seller (the “**Additional Prepay Draw Request**”). Unless otherwise agreed to by the Buyer, in its sole discretion, each Additional Prepay Draw Request shall (i) set out the requested amount of the Additional Prepay Advance, (ii) set out the requested date of such Additional Prepay Advance (which may be no earlier than the third Business Day of the following week) and (iii) be delivered by no later than 4:00 p.m. (Toronto time) on the last Business Day of the week prior to the week in which the Additional Prepay Advance is requested, provided, that, an updated weekly cash flow projection in respect of the week in which the Additional Prepay Advance is requested to be funded has also been delivered by no later than 9:00 p.m. (Toronto time) on the second last Business Day of such prior week. The Seller and the Buyer shall use commercially reasonable efforts to schedule a conference call prior to the delivery of any Additional Prepay Draw Request to discuss the weekly cash flow projection delivered by the Seller and any anticipated Additional Prepay Draw Request. The Buyer shall, by no later than 12:00 p.m. (Toronto time) on the second Business Day of the week following delivery of the applicable Additional Prepay Draw Request, notify the Seller in writing (which may be by e-mail) whether it shall make the Additional Prepay Advance requested in such Additional Prepay Draw Request on the date requested therein. The Additional Prepay Advances shall form part of the Obligations hereunder, and shall constitute Senior Priority Obligations hereunder and “Senior Priority Obligations” under the Indenture and the Senior Priority Intercreditor Agreement.

2.4 Fees

- (a) Floor Price Premium. As consideration for entering into the Offtake January Amendment and guaranteeing the Floor Price thereunder, the Seller agreed to pay the Buyer a premium of \$15,000,000 (the “**Floor Price Premium**”) which was funded from the Initial Advance and an amount equal to the Floor Price Premium is deemed to have been advanced to the Seller on the Initial Advance Date, and forms part of the Obligations. The Floor Price Premium was fully earned and paid upon the entry into of the Offtake January Amendment and the concurrent funding of the Initial Advance, whether or not any deliveries are made against or in respect of the Initial Advance.
- (b) Margin Advance Fee. As consideration for the amendments to the Offtake Agreement set out in clause 2.2(a)(i) above, and for making available the Margin Advances from time to time pursuant to Section 2.2, the Seller shall pay the Buyer a fee of \$700,000 (the “**Margin Advance Fee**”) which shall be fully earned and payable on the Effective Date and shall constitute a Margin Advance. The Margin Advance Fee shall be paid-in-kind by adding the Margin Advance Fee to the outstanding amount of the Obligations on the Effective Date and the Margin Advance Fee shall be deemed to have been advanced to the Seller concurrently with the Initial Margin Advance on the Effective Date.

2.5 Currency

All advances and payments shall be made in United States dollars. All references to “\$”, “Dollars” or “dollars” shall be references to United States dollars unless otherwise expressly indicated.

2.6 Purpose

- (a) The proceeds of the Original Advances (other than the amount used to pay the Floor Price Premium) shall be used solely to fund (i) the ongoing operations at the Mine and general corporate expenses relating to management of the Seller, strictly in accordance with the Liquidity Management Plan and Cash Flow Forecast and (ii) the development and implementation of the Restructuring Plan for the Seller, which Restructuring Plan, as amended in accordance with this Agreement, shall at all times remain acceptable to the Buyer.
- (b) A portion of the Initial Advance in an amount equal to the Floor Price Premium was deemed to be advanced on the Initial Advance Date and the Seller authorized and directed the Buyer to retain such amount on account of the Floor Price Premium.
- (c) The Margin Advances and the Additional Prepay Advances are intended to provide additional liquidity to the Seller and permit the Seller to fund (i) the ongoing operations at the Mine and general corporate expenses relating to management of the Seller, strictly in accordance with the Liquidity Management Plan and Cash Flow Forecast and (ii) the development and implementation of the

Restructuring Plan for the Seller, which Restructuring Plan, as amended in accordance with this Agreement, shall at all times remain acceptable to the Buyer.

3. SECURITY AND INTERCREDITOR MATTERS

- 3.1 As security for payment and performance of the Obligations (including the Senior Priority Obligations), the Seller shall grant a Lien in all of the property, assets and undertaking of the Seller (the “**Security**”), subject only to Permitted Liens.
- 3.2 The Seller shall take all steps necessary at all times to ensure that:
- (a) the Security, to the extent it secures the Obligations (other than the Senior Priority Obligations) shall constitute “Pari Passu Liens” as defined under the Indenture and that the Obligations (other than the Senior Priority Obligations) shall constitute “Pari Passu Indebtedness” as defined under the Indenture and “Initial Additional Pari Passu Lien Obligations” as defined under the Pari Passu Intercreditor Agreement; and
 - (b) the Security, to the extent it secures the Senior Priority Obligations shall constitute “Senior Priority Liens” as defined under the Indenture and that the Senior Priority Obligations shall constitute “Senior Priority Obligations” as defined under the Indenture and the Senior Priority Intercreditor Agreement.
- 3.3 If at any time following the Initial Advance Date, the Seller or any of its subsidiaries provides any guarantee, security, lien or other credit support to the Notes Collateral Agent or otherwise in connection with the Indenture, it shall provide a guarantee of the Obligations to the Buyer in form and substance satisfactory to the Buyer and shall grant equivalent security, liens or other credit support to the Buyer.
- 3.4 If at any time following the Initial Advance Date, the Seller acquires any rights (whether owned or lease) in real property or immovable property in the Province of Quebec it shall, concurrently with the acquisition of such rights deliver a deed of hypothec charging all real property immovable property in the Province of Quebec in form and substance satisfactory to the Buyer and its counsel.

4. REPAYMENT OF ADVANCES

- 4.1 ~~On~~ Subject to Section 4.2 below, on the earlier of (i) the date on which demand is made following the occurrence of an Event of Default which has not been waived by the Buyer and (ii) ~~July 14~~ September 12, 2023 (such earlier date being the “**Termination Date**”), all outstanding Advances made hereunder shall be due and payable in full and, (A) with respect to the Original Advances, at the Buyer’s option, the repayment of such Original Advances shall be made either (1) via weekly deliveries of Product in accordance with the Offtake Agreement, the Purchase Price for which shall not be paid by the Buyer but shall instead be credited against the outstanding Original Advances; or (2) in cash, ~~and~~ (B) with respect to the Margin Advances, the repayment thereof shall be made in cash and (C) with respect to the Additional Prepay Advances, the repayment thereof shall be made in any of the following manners (or any combination thereof), at the Buyer’s

option: (1) from time to time, upon not less than five (5) Business Days' prior notice to the Seller, via deliveries of Product in accordance with the Offtake Agreement without payment of the Purchase Price in respect thereof by the Buyer, and with such deliveries instead being credited against the outstanding Additional Prepay Advances; (2) immediate transfer of title from Seller to the Buyer of Ore, which Ore may be in the form of wet concentrate (measured in WMT) and with a value calculated in a manner consistent with the methodology set out in Schedule I or in the form of dry concentrate (measured in DMT) and with a value calculated in a manner consistent with the Offtake Agreement or (3) in cash.

4.2 Notwithstanding the foregoing, it is agreed and acknowledged by the Seller that, in addition to being repayable on the Termination Date, the Additional Prepay Advances shall repayable immediately on demand by the Buyer at any time prior to the Termination Date, and that such repayment shall be made in the manner selected by the Buyer, at the Buyer's option, in accordance with clause (C) of Section 4.1 above (which repayment if elected by the Buyer to be made pursuant to sub-clause (1) thereof, shall not be required to be made on less than five (5) Business Days' prior notice to the Seller of such election).

4.3 ~~4.2~~The Advances may be prepaid at any time without premium or penalty, it being agreed that the Floor Price Premium was fully earned and paid upon the entry into of the Offtake January Amendment and the concurrent funding of the Initial Advance, notwithstanding any voluntary prepayment of the Advances prior to the Termination Date, and whether or not any deliveries are made.

5. PAYMENTS CONSTITUTING INTEREST

5.1 The parties shall comply with the following provisions to ensure that no receipt by the Buyer of any payments to the Buyer hereunder would result in a breach of section 347 of the *Criminal Code* (Canada):

(a) If any provision of this Agreement or any of the other documents related to this Agreement would obligate the Seller to make any payment to the Buyer of an amount that constitutes "interest", as such term is defined in the *Criminal Code* (Canada) and referred to in this section as "**Criminal Code interest**", during any one-year period after the Initial Advance Date in an amount or calculated at a rate which would result in the receipt by the Buyer of Criminal Code interest at a criminal rate (as defined in the *Criminal Code* (Canada) and referred to in this section as a "**criminal rate**"), then, notwithstanding such provision, that amount or rate during such one-year period shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not result in the receipt by the Buyer during such one-year period of Criminal Code interest at a criminal rate, and the adjustment shall be effected, to the extent necessary, as follows:

(i) first, by reducing the amount or rate of such amounts which constitute Criminal Code interest required to be paid to the Buyer during such one-year period; and

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- (ii) thereafter, by reducing the fees and other amounts required to be paid to the Buyer during such one-year period which would constitute Criminal Code interest.

The dollar amount of all such reductions made during any one-year period is referred to in this section as the “**Excess Amount**”.

- (b) Any Excess Amount shall be payable and paid by the Seller to the Buyer in the then next succeeding one-year period or then next succeeding one-year periods until paid to the Buyer in full, subject to the same limitations and qualifications set out in paragraph (a), so that the amount of Criminal Code interest payable or paid during any subsequent one-year period shall not exceed an amount that would result in the receipt by the Buyer of Criminal Code interest at a criminal rate.
- (c) Any amount or rate of Criminal Code interest referred to in this section shall be calculated and determined in accordance with generally accepted actuarial practices and principles as an effective annual rate of interest over the term that the Advances remain outstanding on the assumption that any charges, fees or expenses that constitute Criminal Code interest shall be pro-rated over the period commencing on the Initial Advance Date and ending on the relevant Termination Date (as may be extended by the Buyer from time to time hereunder) and, in the event of a dispute, a certificate of a Fellow of the Canadian Institute of Actuaries appointed by the Buyer shall be conclusive for the purposes of such calculation and determination.

5.2 If the Advances are not repaid when due, all outstanding amounts then owing under or in respect of the Advances will bear interest at 10% per annum, compounded monthly on the last day of each month, and payable on demand.

6. ADEQUATE PROTECTION

6.1 The Seller agrees and acknowledges that:

- (a) there are a number of key financial and operational covenants which have been critical to the Buyer in committing to enter into this Agreement and provide the Advances to the Seller hereunder, without which the Buyer would not have agreed to enter into this Agreement or provide the funding contemplated hereunder, including:
 - (i) pursuant to Section 9(m)-~~1(m)~~ of this Agreement, the Seller is restricted from creating, incurring, or guaranteeing any Indebtedness for borrowed money other than (i) Indebtedness and Guarantees existing on the Original Agreement Date and (ii) Indebtedness under the Initial 2023 Notes; and
 - (ii) pursuant to Section 9(n)-~~1(n)~~ of this Agreement, the Seller is restricted from creating or incurring any Liens, except Permitted Liens.

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- (b) the ability of the Seller to satisfy its obligations to the Buyer hereunder could be significantly affected or materially impaired if the financial position of the Seller changes, including if any additional Indebtedness or Liens are incurred in violation of the foregoing covenants;
- (c) any debtor-in-possession financing, other interim financing or any other charges granted by any court under the CCAA, the BIA or other similar legislation in Canada or in any other jurisdiction, or pursuant to or in connection with any proceedings under such statutes (each, a “**DIP Financing**”) would result in a breach of any of the foregoing covenants and could materially prejudice the Buyer; and
- (d) the Seller shall first provide the Buyer with an opportunity to reach agreement on DIP Financing should it become necessary before agreeing to such DIP Financing from another party.

7.CONDITIONS PRECEDENT

7.1 Conditions Precedent to Effectiveness

This Agreement shall become effective upon the satisfaction or waiver of the following conditions precedent, all of which are for the benefit of the Buyer, in each case in form and substance satisfactory to the Buyer:

- (a) execution and delivery by the Seller of this Agreement;
- (b) execution and delivery of a confirmation of Security in form and substance substantially similar to the confirmation delivered to the Notes Collateral Agent in connection with the issuance of the Initial 2023 Notes;
- (c) execution and delivery of all documents required for the Senior Priority Obligations hereunder to constitute “Senior Priority Obligations” under the Senior Priority Intercreditor Agreement;
- (d) delivery of legal opinions from counsel to the Seller, in each applicable jurisdiction, including customary assumptions and qualifications, opinions confirming, among other things (i) corporate existence, authority and due execution and delivery, (ii) no breach of applicable law or constating documents including the Amended Shareholders’ Agreement, (iii) the registration and perfection of the Security and confirmation that such Security continues to secure the Obligations (including the Senior Priority Obligations) and that all of the Obligations (including the Senior Priority Obligations) are permitted to be incurred and so secured by the Security pursuant to the Required Consents, (iv) the enforceability of this Agreement, (v) confirmation that the Obligations (other than the Senior Priority Obligations) constitute Initial Additional Pari Passu Lien Obligations under the Pari Passu Intercreditor Agreement and that the Senior Priority Obligations constitute Senior Priority Obligations under the Senior Priority Intercreditor Agreement; and (vi) no breach under the Indenture;

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- (e) satisfaction that, upon the effectiveness of this Agreement, the Seller shall have sufficient liquidity to fund its operations in accordance with the Liquidity Management Plan and the Cash Flow Forecast; and
- (f) (i) no Default or Event of Default has occurred and is continuing and (ii) there shall have been no Material Adverse Effect, and the Buyer shall have received a certification from an officer of the Seller, without personal liability, to that effect.

7.2 Conditions Precedent to the Initial Advance

The funding of the Initial Advance (including the deemed advance of an amount equal to and to be applied to the Floor Price Premium) was subject to the following conditions precedent, all of which are for the benefit of the Buyer and were satisfied or waived in connection with the Initial Advance, in each case in form and substance satisfactory to the Buyer:

- (a) execution and delivery by the Seller of this Agreement and the Security Documents;
- (b) execution and delivery of all documents required for the Buyer and the Obligations to accede to the Pari Passu Intercreditor Agreement and form part of and have the benefit of the provisions thereof as Initial Additional Pari Passu Lien Obligations;
- (c) execution and delivery of the Amended Shareholders' Agreement, the Offtake January Amendment and the Preferred Share Amendments;
- (d) continuance of the Seller as an Ontario corporation under the *Business Corporations Act* (Ontario);
- (e) amendment of governing documents of Proterra M&M MGCA B.V. and Proterra M&M Co-Invest LLC, in form and substance satisfactory to the Buyer, it being understood that Buyer shall use its commercially reasonable efforts to assist the Seller in satisfying this condition;
- (f) issuance of the Cargill Warrants ([as defined in the Original Advance Agreement](#)) in form and substance satisfactory to the Buyer and Cargill;
- (g) satisfaction of the Floor Price Premium from the proceeds of the Initial Advance;
- (h) receipt of a certified copy of the Amended Shareholder Agreement and all other constating documents and by-laws of the Seller, and of all corporate and other proceedings taken and required to be taken by the Seller to authorize, *inter alia*, (i) the execution and delivery of this Agreement and the other Financing Documents to which it is a party and the performance of the transactions contemplated thereby; (ii) a certificate of status of the Seller; and (iii) a certificate of incumbency of the Seller;
- (i) (i) completion of all necessary lien and other searches, together with all registrations, filings and recordings wherever the Buyer deems appropriate in

connection with the Security, and (ii) satisfaction that there are no Liens ranking pari passu with or in priority to the Security except Permitted Liens;

- (j) satisfaction that the Seller maintains adequate insurance coverage of such type and in such amounts and against such risks as is prudent for a business of an established reputation with financially sound and reputable insurers in coverage and scope acceptable to the Buyer, with appropriate endorsements in favour of the Buyer;
- (k) constitution of the board of directors of the Seller in accordance with the Amended Shareholders' Agreement provided that board positions to be filled by any independent directors contemplated by the Amended Shareholders' Agreement may be vacant at the time of the Initial Advance for purposes of this condition precedent and such independent directors may be appointed following the Initial Advance in accordance with the Amended Shareholders' Agreement;
- (l) delivery of legal opinions from counsel to the Seller, in each applicable jurisdiction, including customary assumptions and qualifications, opinions confirming, among other things (i) corporate existence, authority and due execution and delivery, (ii) no breach of applicable law or constating documents, including, as applicable, the amended and restated shareholders' agreement as in effect on the Original Agreement Date, and/or the Amended Shareholders' Agreement, (iii) the registration and perfection of the Security, (iv) the enforceability of this Agreement and the other applicable Security Documents set out in Schedule A, the Offtake January Amendment and the Cargill Warrants ([as defined in the Original Advance Agreement](#)), (v) confirmation that the Obligations constitute Initial Additional Pari Passu Lien Obligations under the Pari Passu Intercreditor Agreement and (vi) no breach under the Indenture;
- (m) completion by the Seller of an operational assessment review in form and substance satisfactory to the Buyer by no later than January 1, 2023;
- (n) receipt of the Cash Flow Forecast, Liquidity Management Plan, Operational Turnaround Plan and Retention Plan ([as defined in the Existing Facility Agreement](#)) all in form and substance satisfactory to the Buyer;
- (o) satisfaction with the identity, scope and extent of the authority of the chief transaction officer retained by the Seller to advance the Liquidity Management Plan, Operational Turnaround Plan, Retention Plan ([as defined in the Existing Facility Agreement](#)) and Restructuring Plan;
- (p) satisfaction that, if the Initial Advance (excluding an amount equal to the Floor Price Premium), the Subsequent Advance (as defined in the Existing Facility Agreement) and the Final Advance (as defined in the Existing Facility Agreement) have been funded, assuming satisfaction of the applicable conditions precedent set out in Section 7 hereof, the Seller shall have sufficient liquidity to fund its operations in accordance with the Liquidity Management Plan and the Cash Flow Forecast; and

- (q) (i) all representations and warranties contained in this Agreement and the Financing Documents remain true and correct as of the Initial Advance Date, (ii) no Default or Event of Default has occurred and is continuing and (iii) there shall have been no Material Adverse Effect, and the Buyer shall have received a certification from an officer of the Seller, without personal liability, to that effect.

7.2 **Conditions Precedent to each Margin Advance and each Additional Prepay Advance**

The availability and deemed funding of each Margin Advance and/or each Additional Prepay Advance shall be subject to the following conditions precedent, all of which shall be for the benefit of the Buyer and shall be satisfied prior to each deemed Margin Advance and each Additional Prepay Advance, in each case in form and substance satisfactory to the Buyer:

- (a) the amount of such Margin Advance or Additional Prepay Advances, as applicable, together with the aggregate amount of all Margin Advances and Additional Prepay Advances then outstanding~~-,~~ shall not exceed the Maximum ~~Margin~~ Senior Priority Advance Amount;
- (b) all representations and warranties contained in this Agreement and the Financing Documents remain true and correct as of the applicable Calculation Date on which the Margin Advance ~~is~~ or the Additional Prepay Advance, as applicable is made or deemed to be made;
- (c) no Default or Event of Default shall have occurred and be continuing; and
- (d) there shall have been no Material Adverse Effect,

and, if requested, the Buyer shall have received a certification from an officer of the Seller, without personal liability, to that effect.

8. REPRESENTATIONS AND WARRANTIES

The Seller makes each of the following representations and warranties:

- (a) The Seller is a corporation duly formed and validly existing under the laws of the jurisdiction of its formation, and is duly qualified, licensed or registered to carry on business under the applicable law in all jurisdictions in which the nature of its assets or business makes such qualification necessary.
- (b) The execution, delivery and performance by the Seller of this Agreement and the other Financing Documents:
- (i) are within its corporate power;
- (ii) have been duly authorized by all necessary corporate, action, including all necessary consents of the holders of its Equity Securities, where required;

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- (iii) do not (A) contravene the Amended Shareholders' Agreement, articles, by-laws or other constating documents, as applicable, (B) violate any judgment, order, notice, decree, statute, law, ordinance, rule or regulation applicable to it or any of its properties or assets, (C) conflict with or result in the breach of, or constitute a default under, or require a consent under, any Material Contract (other than such consents as have been obtained including, the Required Consents) or (D) result in the creation or imposition of any Lien upon any of its property except pursuant to the Security Documents; and
 - (iv) do not require the consent of, authorization by, approval of or notification to any Governmental Entity.
- (c) This Agreement and the other Financing Documents constitute valid and binding obligations of the Seller enforceable in accordance with their terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally or by general principles of equity, whether asserted in a proceeding in equity or law.
- (d) The Seller (i) owns its assets with good and marketable title thereto, free and clear of all Liens, except for Permitted Liens, (ii) does not own or lease any real property other than as described on Schedule E and (iii) maintains no business in any jurisdiction other than as set out on Schedule E. The Seller does not own or lease any real property or immovable property in the Province of Quebec other than as set out on Schedule E.
- (e) There is no Default or Event of Default that has occurred and is continuing as of the date hereof.
- (f) The Seller does not have any Material Liabilities except (i) Liabilities which are reflected and properly reserved against in the Financial Statements, (ii) Liabilities incurred in the ordinary course of business, having regard to the current financial condition of the Seller and as reflected in the Cash Flow Forecast, (iii) current Liabilities arising in the ordinary course under the Contracts to which the Seller is a party and (iv) Liabilities under the Initial 2023 Notes.
- (g) Other than the fees of GLC Advisors & Co., LLC, and the fees and expenses of Greenhill & Co. Canada Ltd., each of which have been separately disclosed to the Buyer, provisions for all payments, fees and retainers for professionals and advisors engaged by the Seller or its subsidiaries and all transaction, success, performance or change of control payments payable thereunder or in connection therewith (the "**Professional Fees**"), and have been accounted for in the Liquidity Management Plan and included in the Cash Flow Forecast.
- (h) Except for the claims set out in the letters disclosed on Schedule 8(h), true, correct and complete copies of which have been delivered to the Buyer, there is not now pending or, to the knowledge of the Seller, threatened against the Seller or any of its subsidiaries, nor has the Seller received notice in respect of, any Material

claim, potential claim, litigation, action, suit, arbitration or other proceeding by or before any Governmental Entity.

- (i) A complete and accurate list of all Material Contracts and amendments thereto is set forth on Schedule E hereto and all such agreements are in full force and effect.
- (j) Except as would not have a Material Adverse Effect:
 - (i) The Seller is in possession of all, grants, authorizations, licenses, permits, easements, variances, exceptions, consents, certificates, approvals, registrations and orders of any Governmental Entity in Canada and other jurisdictions necessary for the Seller to carry on its business as it is now being conducted (the “**Company Permits**”), the Company Permits are valid and in good standing and no suspension or cancellation of any of the Company Permits is pending or, to the knowledge of the Seller, threatened; and
 - (ii) to the knowledge of the Seller, neither the Seller nor any of its subsidiaries has received any written notice that any Governmental Entity (including, without limitation, Governmental Entities outside of Canada) has commenced, or threatened to initiate, any action to withdraw its approval for, revoke, request the recall of, or otherwise impair restrict or vary any Company Permits, or to restrain, impede or prohibit the execution, delivery and performance by the Seller of this Agreement or require or purport to require a variation of this Agreement.
- (k) The Seller maintains adequate insurance coverage of such type and in such amounts and against such risks as is prudent for a business of an established reputation with financially sound and reputable insurers in coverage and scope as is prudent for such a business, with appropriate endorsements in favour of the Buyer.
- (l) The Security Documents create a valid and continuing perfected Lien on the personal property described therein (collectively, the “**Collateral**”) in favour of the Buyer having the priority set forth herein, subject only to Permitted Liens. There are no other Liens on the Collateral other than Permitted Liens.
- (m) As of the date of this Agreement, Schedule F sets out the corporate structure of the Seller and its subsidiaries, including particulars of authorized, issued and outstanding capital of each such entity and the percentage ownership interest.
- (n) All consents required to permit the Security to attach to all Material assets and property of the Seller (including all Material Contracts and all real property rights disclosed on Schedule E) are listed on Schedule G (the “**Required Consents**”), which have been obtained. Other than the assets and property subject to the Required Consents (which have been obtained), no other Material asset or property of the Seller constitutes a Restricted Asset (as defined in any applicable Security Document). The Seller has not obtained any consent in favour of the

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Notes Collateral Agent or any other holder of Indebtedness (or any agent or trustee on its behalf) other than consents substantially similar to the Required Consents.

- (o) All documents constituting the Notes Collateral Documents (as defined in the Pari Passu Intercreditor Agreement and the Senior Priority Intercreditor Agreement), and all consents obtained in connection therewith, are set out on Schedule H.
- (p) Neither the Financial Statements delivered to the Buyer or its Advisors from time to time nor any other written statement or information (other than projections, which are subject to following sentence) furnished by or on behalf of or at the direction of the Seller to the Buyer or its Advisors in connection with the negotiation, consummation or administration of this Agreement contain, as of the time such statements were so furnished, any untrue statement of a material fact or an omission of a material fact as of such time, which material fact is necessary to make the statements contained therein not misleading. All such statements, taken as a whole, together with this Agreement, all of the other Financing Documents and all other relevant documents do not contain any untrue statement of a material fact or omit a material fact necessary to make the statements contained herein or therein not misleading. All financial projections, including the Cash Flow Forecast, furnished or made available by the Seller to the Buyer and its Advisors have been prepared in good faith, on the basis of all known facts and using reasonable assumptions and the Seller believes such projections to be fair and reasonable.
- (q) All written information furnished by or on behalf of the Seller to the Buyer or its Advisors for the purposes of, or in connection with, this Agreement, the other Financing Documents or any other relevant document or any other transaction contemplated thereby, is true and accurate in all Material respects on the date as of which such information is dated or certified, and not incomplete by omitting to state any material fact necessary to make such information not misleading at such time in light of then-current circumstances.
- (r) Except for the Tacora Orion Letter, there are no agreements between the Seller or any of its subsidiaries and any holder of debt or Equity Securities of the Seller or such subsidiaries with respect to any restructuring, refinancing or recapitalization matters.

9. COVENANTS

The Seller on behalf of itself and its subsidiaries covenants and agrees to comply with the following covenants unless otherwise expressly consented to by the Buyer in writing in advance:

- (a) The Seller shall duly and punctually make the deliveries of Product and/or pay the amounts on and in respect of the Advances in each case when due and payable under this Agreement and the Offtake Agreement, as applicable.

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- (b) The Seller shall use the proceeds of the Advances only in accordance with Section 2.6.
- (c) The Seller shall comply with the terms of the Offtake Agreement.
- (d) The Seller shall maintain at all times adequate insurance coverage of such kind and in such amounts and against such risks as is prudent for a business of an established reputation with financially sound and reputable insurers in coverage and scope acceptable to the Buyer, with appropriate endorsements in favour of the Buyer.
- (e) The Seller shall deliver to each of the Buyer and/or such representatives as may be reasonably designated by the Buyer:
 - (i) on the third Business Day of every week, a report as to the Seller's actual cash flows for the immediately preceding week, accompanied by a variance analysis explaining how and why actual results for such immediately preceding week varied from the applicable week in the Cash Flow Forecast;
 - (ii) on the first Business Day of each week, updates regarding the progress made under the Liquidity Management Plan and the Restructuring Plan and make such amendments thereto as may be reasonably requested by the Buyer;
 - (iii) notice forthwith upon the Seller determining that there will be a Material change from the Cash Flow Forecast, or of any other Material developments with respect to the business and affairs of the Seller or the operations at the Mine;
 - (iv) notice forthwith upon the Seller receiving notice from any creditor, Governmental Entity, landlord or other third party of a default, demand, acceleration or enforcement in respect of any material obligation of the Seller;
 - (v) notice forthwith and copies to the Buyer of, any discussion papers, term sheets, letters of intent, commitment letters, offers or agreements entered into by the Seller after Original Agreement Date, relating to (i) a Sale Transaction, (ii) a Restructuring or Recapitalization Transaction or (iii) a Change of Control;
 - (vi) notice forthwith of any intention to seek any financing, refinancing or any "debtor-in-possession" financing under the CCAA or the BIA;
 - (vii) notice forthwith of any Default or Event of Default;
 - (viii) from time to time as requested by the Buyer, updates on the Retention Plan and make some amendments thereto as may be reasonably requested by the Buyer;

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- (ix) promptly following delivery thereof, copies of any weekly reporting delivered to the holders of the Initial 2023 Notes (or any of them, whether in their capacity as holders of the Initial 2023 Notes or otherwise); and
- (x) such other information as may be requested by the Buyer or its Advisors from time to time acting reasonably.
- (f) The Seller shall review the Operational Turnaround Plan and the progress made thereunder with the Buyer on the first Business Day of each calendar month following the Initial Advance Date and such Operational Turnaround Plan shall in each case remain acceptable to, or amended as may be reasonably required by, the Buyer.
- (g) The Seller shall work cooperatively with the Buyer to implement the Restructuring Plan;
- (h) The Buyer shall have the right to engage at any time a financial advisor to assist it in relation to the Advances and any Liquidity Event, and all reasonable and documented fees of such advisor, excluding any success or transaction fee (unless expressly consented to by the Seller), shall be reimbursed by the Seller and shall form part of the Obligations in accordance with Section 12.
- (i) The Seller shall not be entitled to make any Distribution or Affiliate Payment, other than a Distribution or Affiliate Payment that is contemplated by the Cash Flow Forecast (and in the case of any Affiliate Payment made to any Shareholder and/or its Affiliates, that is contemplated by the Cash Flow Forecast and approved in writing by the Buyer) or any Distribution to the Buyer on account of existing preferred shares held by Buyer.
- (j) The Seller shall not make any Material expenditures except to the extent such expenditures are consistent with the Liquidity Management Plan and reflected in the Cash Flow Forecast.
- (k) The Seller shall not amalgamate, consolidate with or merge into or sell all or substantially all of its assets to another entity, or change the nature of its business or their corporate or capital structure or enter into any agreement committing to such actions, provided that the Buyer shall not withhold consent in respect of any of the foregoing events if prior to concurrently with completion of any of such event, the Obligations are repaid in full.
- (l) The Seller shall not issue any Equity Securities nor create any new class of Equity Securities or amend any terms of its existing Equity Securities other than (i) the Permitted Issuances; and (ii) the issuance of the Seller's common shares that would not result in a Change of Control.
- (m) The Seller shall not create, incur or Guarantee any Indebtedness other than, without duplication, (i) Indebtedness and Guarantees existing on the Original

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Agreement Date, (ii) the Obligations and (iii) Indebtedness under the Existing Notes and the Initial 2023 Notes.

- (n) The Seller shall not create or incur any Liens other than Permitted Liens.
- (o) The Seller shall not make any Investments or acquisitions of any kind, direct or indirect, and, following the Original Agreement Date, the Seller shall not make further Investments in, payments to, or provide any Guarantees or financial assistance in favour of, its subsidiaries, without the Buyer's prior written consent.
- (p) The Seller shall not increase compensation or severance entitlements or other benefits payable to directors, senior officers or senior management (including by way of a "KERP"), or pay any bonuses whatsoever, other than (i) as required by law or (ii) pursuant to the terms of the Retention Plan and ~~as~~-set out in the Cash Flow Forecast.
- (q) The Seller shall not be entitled to pay any Professional Fees except for, without duplication: (i) such Professional Fees provided for and specifically listed in the Cash Flow Forecast and (ii) all fees and expenses payable to GLC Advisors & Co., LLC, Greenhill & Co. Canada Ltd., Bennett Jones LLP and Hatch Ltd., pursuant to their engagement letters dated as of April 25, 2023, January 23, 2023, March 1, 2023 and March 1, 2023, respectively, and the fee letter between the Seller and Bennett Jones dated March 1, 2023, each as in effect on the date of this Agreement, unamended.
- (r) The Seller shall operate its businesses in accordance with the Liquidity Management Plan, the Operational Turnaround Plan, the Restructuring Plan and the Cash Flow Forecast.
- (s) The Seller shall maintain a minimum liquidity of \$5,000,000 tested on a weekly basis along with the variance analysis under the Cash Flow Forecast.
- (t) Following a reasonable advance request by the Buyer or its Advisors, the Seller, shall, to the extent permitted by law and the terms of any contractual confidentiality obligations:
 - (i) provide the Buyer and/or its Advisors with reasonable access to its books and records for use in connection with the transactions contemplated by this Agreement; and
 - (ii) make its officers and legal and financial advisors available on a reasonable basis for any discussions with the Buyer and/or its Advisors.
- (u) The Seller shall not make or permit to be made any changes to composition (including addition, removal or replacement of directors) of the board of directors of the Seller (other than a resignation by a director), except in accordance with the Amended Shareholders Agreement and the First Noteholder Side Letter.

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- (v) The Seller shall not, to the extent it is required to do so, consent to, or take any steps in furtherance of the exercise of any conversion right under any Equity Securities issued by it.
- (w) The Seller shall not transfer, lease, license or otherwise dispose of all or any part of its property, assets or undertaking, except pursuant to a Liquidity Event which has been approved by the Buyer.
- (x) The Seller shall not enter into, extend, renew, waive or otherwise modify any of its Material Contracts.
- (y) The Seller shall not enter into, extend, renew, waive or otherwise modify in any respect the terms of any transaction with an Affiliate (other than the Buyer or Cargill), other than extension or renewal of existing operational arrangements which are in compliance with the Liquidity Management Plan, the Operational Turnaround Plan and the Cash Flow Forecast.
- (z) The Seller shall not (i) deliver any guarantee, security, lien or other credit support to the Notes Collateral Agent or otherwise in connection with the Indenture, unless, concurrently therewith it shall comply with the requirements of Section 3.3 and it shall provide the equivalent guarantees, security, liens or other credit support to the Buyer or (ii) acquire any rights in any real property or immovable property in the Province of Quebec unless, concurrently therewith it shall comply with the requirements of Section 3.4.
- (aa) The Seller shall not form any subsidiary after the Original Agreement Date without the prior written consent of the Buyer and, to the extent so consented, delivery of all guarantees, Security Documents and other credit support as may be required by the Buyer in connection therewith.
- (bb) In the event that the Seller agrees pursuant to ~~any~~ a Noteholder Side Letter or other binding agreement between the Seller and any holders of Initial 2023 Notes or other notes issued under the Indenture (each such binding agreement being, a “**Noteholder Restructuring Agreement**”) to meet any milestone related to advancing a Liquidity Event pursuant thereto (each, a “**Milestone**”), then the Seller covenants to the Buyer that it shall meet each such Milestone pursuant to this Agreement by the same deadline as set out in such Noteholder Restructuring Agreement (or such later deadline as may be agreed by the Buyer in its sole discretion).
- (cc) The Seller shall, by no later than the date that is ten (10) Business Days following the Effective Date (or such later date as may be expressly agreed by the Buyer in writing), obtain supplements or confirmations to the Required Consents listed under the heading “Counterparty Consents re Material Contracts” in Schedule G.

10. EVENTS OF DEFAULT

10.1 Each of the following shall constitute an event of default hereunder and under the Security Documents (each, an “**Event of Default**”):

- (a) the failure to pay any amount (including fees and expenses or any Excess **Margin Senior Priority** Advance Amount) or make any delivery in respect of the Advances when the same shall become due and payable hereunder or are required to be made or delivered pursuant to the Offtake Agreement;
- (b) the failure by the Seller to perform or comply with any term, condition, covenant or obligation contained herein (other than the items expressly set out in paragraph (a) above) or in any other Financing Document or any other document delivered pursuant to the terms hereof or thereof or in connection herewith or therewith on their part to be performed or complied with and, to the extent capable of being remedied, such failure remains unremedied for three (3) Business Days;
- (c) if any representation, warranty or other statement of the Seller made or deemed to be made in this Agreement, any other Financing Document or in any other document delivered pursuant to the terms thereof or in connection therewith shall prove untrue in any material respect as of the date made;
- (d) the occurrence of a default or an event of default under any Indebtedness of the Seller, including, for certainty, under the Indenture (or any supplemental indenture thereunder) or under any Noteholder Restructuring Agreement, provided that, (i) solely with respect to the existing ~~default~~ defaults under the Indenture set out on Schedule 10.1, such ~~default~~ defaults shall not constitute and Event of Default hereunder unless the obligations under the Indenture are accelerated or otherwise declared due and payable as a result thereof, or the Notes Collateral Agent or any holders thereunder initiate any enforcement steps in respect thereof; (ii) failure by the Seller to pay the May 15, 2023 interest payment under the Indenture shall only constitute an Event of Default hereunder if not paid in full in cash prior to the expiry of the applicable cure period in respect thereof; and (iii) failure by the Seller to pay the quarterly royalty payment pursuant to the amended and restatement of the consolidation of mining leases dated October 30, 2017 shall only constitute an Event of Default hereunder if not paid in full in cash prior to May 25, 2023;
- (e) a revocation, termination or cancellation of, any Material Contract or a default thereunder that would permit the revocation, termination or cancellation thereof by any third party;
- (f) failure by the Seller, in the opinion of the Buyer, acting reasonably, to comply with the terms of, take any proposed steps under, or meet any milestones or metrics set out in the Liquidity Management Plan, the Operational Turnaround Plan, the Retention Plan or the Restructuring Plan, in each case on the timelines set out therein;

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- (g) the existence of an adverse variance of cumulative actual net cash flow from the Cash Flow Forecast by an amount exceeding 10% in respect of any four week period;
- (h) any change to the composition (including addition, removal or replacement of directors) of the board of directors of the Seller that is not in accordance with the Amended Shareholders Agreement and the [First](#) Noteholder Side Letter, except as arising from resignation by a director;
- (i) the cessation (or threat of cessation) by the Seller to carry on business in the ordinary course, having regard to the current financial condition of the Seller;
- (j) the denial or repudiation by the Seller of the legality, validity, binding nature or enforceability of this Agreement, the other Financing Documents or any other document or certificate delivered pursuant to the terms hereof or thereof or the Offtake Agreement;
- (k) the cessation of any of the Security Documents to constitute, in whole or in part, a Lien on the Collateral in the priority contemplated by this Agreement;
- (l) the entry of one or more final judgements, writs of execution, garnishment or attachment representing a claim in excess of \$250,000 against the Seller or the Collateral that is not released, bonded, satisfied, discharged, vacated, stayed or accepted for payment by an insurer within 30 days after their entry, commencement or levy;
- (m) the commencement by the Seller or any of its subsidiaries organized under the laws of the United States of America or Canada (or any state, province, territory other subdivision thereof) of any action, application, petition, suit or other proceeding under any bankruptcy, arrangement, reorganization, dissolution, liquidation, insolvency, winding-up or similar law of any jurisdiction now or hereafter in effect, for the relief from or otherwise affecting creditors of such entity, including without limitation, under the BIA (including the filing of a notice of intention to make a proposal), CCAA, *Winding-up and Restructuring Act* (Canada), the CBCA or any similar law of another jurisdiction, including provisions of corporate statutes providing for a stay of proceedings or the compromise of claims;
- (n) the appointment of any receiver, receiver-manager, interim receiver, monitor, liquidator, assignee, custodian, trustee, sequestrator or other similar entity in respect of the Seller or any of its subsidiaries organized under the laws of the United States of America or Canada (or any state, province, territory other subdivision thereof), or all or any part of their respective property, assets or undertaking;
- (o) the act of the Seller or any of its subsidiaries organized under the laws of the United States of America or Canada (or any state, province, territory other subdivision thereof): (i) making a general assignment for the benefit of its

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creditors, including without limitation, any assignment made pursuant to the BIA, (ii) acknowledging its insolvency or is declared or becomes bankrupt or insolvent, (iii) failing to meet its liabilities generally as they become due, or (iv) committing an act of bankruptcy under the BIA or any similar law of any jurisdiction;

- (p) the occurrence of any Liquidity Event;
- (q) the failure by the Seller to pay the May 15, 2023 interest payment under the Indenture in full in cash prior to the expiry of the applicable cure period in respect thereof;~~or~~
- (r) the failure by the Seller to meet any Milestone in accordance with Section 9(bb)~~-(bb)~~; or
- (s) a default under any Noteholder Side Letter.

11.REMEDIIES

Following the occurrence of an Event of Default, without limiting the remedies available under the Security Documents or hereunder, the Buyer may:

- (a) on demand, accelerate all payments due by the Seller hereunder, and set off amounts owing by the Buyer to the Seller against amounts owing by the Seller to the Buyer, provided that if the Event of Default relied upon by the Buyer to demand or accelerate such payments has arisen solely as a result of the Seller's failure to repay the Additional Prepay Advances on demand (absent any other Event of Default), the Buyer shall not set-off the Purchase Price for deliveries of Product in accordance with the terms of the Offtake Agreement against the Advances until the date which is five (5) Business Days after the Buyer demands repayment of the Additional Prepay Advances;
- (b) apply to a court (i) for the appointment of an interim receiver or a receiver and manager of the undertaking, property and assets of the Seller, (ii) for the appointment of a trustee in bankruptcy of the Seller, or (iii) to seek other relief; or
- (c) without limiting the foregoing, the Buyer shall have the power and rights of a secured party under section 17, 17.1 and Part V of the *Personal Property Security Act* (Ontario).

12.EXPENSES

The Seller shall be obligated to, on the Termination Date, reimburse the Buyer for all reasonable out-of-pocket expenses and costs, including, without limitation, all reasonable and documented legal and advisory fees, incurred by each of the Buyer and its Advisors in connection with any matter arising hereunder or any documents issued in connection with this Agreement or any of the Financing Documents. All such reimbursement and/or payment obligations shall form part of the Obligations and shall be secured by the Security.

13.TAXES

- 13.1 All payments in cash or in kind made by the Seller to the Buyer, including without limitation any payments required to be made from and after the exercise of any remedies available to the Buyer upon an Event of Default, shall, except as required by applicable law, be made free and clear of, and without reduction for or on account of, any present or future taxes, levies, imposts, duties, charges, fees, deductions or withholdings of any kind or nature whatsoever or any interest or penalties payable with respect thereto now or in the future imposed, levied, collected, withheld or assessed by any country or any political subdivision of any country (collectively “**Taxes**”); provided, however, that if any Taxes (other than Excluded Taxes) are required by applicable law to be deducted or withheld (“**Withholding Taxes**”) from any amount payable in cash or in kind to the Buyer hereunder or under any other document delivered pursuant to the terms hereof, the amount so payable to the Buyer shall be increased to the extent necessary to yield to the Buyer on a net basis after withholding and remitting all Withholding Taxes, the amount the Buyer would have received had no Withholding Taxes been payable, and the Seller shall provide evidence satisfactory to the Buyer that the Taxes have been so withheld and remitted to the applicable Governmental Entity on a timely basis.
- 13.2 In addition, the Seller shall reimburse and indemnify the Buyer for any Withholding Taxes paid by the Buyer within 10 days upon receiving evidence from the Buyer that it has paid the Withholding Taxes, whether or not such Withholding Taxes were correctly or legally asserted. If the Buyer determines, in its sole discretion exercised in good faith, that it has received a refund of Withholding Taxes remitted to a Governmental Entity pursuant to Section 13.1 or to which it has been indemnified and reimbursed by the Seller pursuant to this Section 13.2, it shall pay to the Seller an amount equal to such refund, net of all out-of-pocket expenses (including any taxes) and without interest. The Seller shall, upon request, repay to the Buyer the amount paid over to the Seller hereunder in the event that the Buyer is required to repay such refund to a Governmental Entity.
- 13.3 The Buyer will take all commercially reasonable steps to obtain a refund of any Withholding Taxes payable by it pursuant to Section 13.2, provided that nothing in this Section 13.3 shall be construed to require the Buyer to:
- (a) make available its Tax returns or any other information which it deems confidential to the Seller or any other Person; or
 - (b) pay any amount pursuant to this Section 13.3, the payment of which would place the Buyer (or any of its Affiliates) in a less favourable net after-Tax position than the Buyer (or any of its Affiliates) would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld, or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid.
- 13.4 The Buyer represents that it is a resident of Singapore for purposes of the tax convention between the governments of Canada and Singapore entitled to the benefits of such convention, it does not have a permanent establishment in Canada as defined in such Convention and it is receiving any amounts paid by the Seller pursuant to this Agreement

in the ordinary course of its business; provided, for greater certainty, that Seller's obligations described in Sections 13.1 and 13.2 (i) are not conditional on this section 13.4, and (ii) remain enforceable against Seller notwithstanding any assessment, reassessment or other assertion by a Tax authority, or a finding of a court of competent jurisdiction, that is inconsistent with the representations contained in this section 13.4.

14.MISCELLANEOUS

14.1 Further Assurances

The Seller shall at its expense, from time to time do, execute and deliver, all such further acts, documents (including, without limitation, certificates, declarations, affidavits, reports and opinions) and things as the Buyer may reasonably request for the purpose of giving effect to this Agreement, perfecting, protecting and maintaining the Liens created by the Security establishing compliance with the representations, warranties and conditions of this Agreement or any other document delivered in connection herewith.

14.2 Disclosure

No press release or other public disclosure concerning the transactions contemplated herein shall be made by the Seller without the prior consent of the Buyer (such consent not to be unreasonably withheld); *provided*, however, that the Seller shall, after providing the Buyer and its Advisors with copies of all related documents and an opportunity to consult with the Buyer and its Advisors as to the contents, make prompt disclosure of this Agreement and make such disclosure as may be required by the Indenture, by applicable law or by any Governmental Entity having jurisdiction over the Seller. Notwithstanding the foregoing, no information with respect to the identity of the Buyer shall be disclosed by the Seller except as may be required by applicable law, or by any Governmental Entity having jurisdiction over the Seller.

14.3 Conflict

To the extent that there is any inconsistency between this Agreement and any of other Financing Documents, this Agreement shall govern.

14.4 Amendments and Waivers

This Agreement shall only be amended or waived with the consent of the Buyer and the Seller in writing.

14.5 Assignments and Participations

The Buyer may assign all or any portion of its Advances and related rights under this Agreement and the other Financing Documents, without the consent of any other party, provided that the Margin Advances and related rights shall only be assigned if the Offtake Agreement is also assigned. The Seller may not assign its rights hereunder without the consent of the Buyer.

The Buyer may also grant a participation (whether by way of equitable assignment, limited recourse deposit or otherwise) (each a "Participation") to any other person (a "**Participant**") in the whole or any part of any of its Advances (whether before or after the funding of such

Advances) under which the Participant shall be entitled to the benefit of the same rights under this Agreement with respect to such Participation as if it were a party hereto in the place and stead of the Buyer; provided that in respect of such participated share and as between the Participant and the Seller, (i) the Buyer (and not the Participant) shall remain solely entitled to enforce such rights, and shall remain solely responsible for the performance of all obligations, of the Buyer under this Agreement with respect to such participated share, (ii) such Participant shall have no direct enforceable rights against the Seller in respect of such participated share, other than against the Buyer; (iii) no party hereto, other than the Buyer, shall have any obligations to such Participant with respect to such participated share; and (iv) the consent of the Participant is not required under the terms of such participation to any change to this Agreement, except for changes that (1) increase the aggregate amount of the Advances in excess of the participated share agreed to by the Participant or (2) postpone or defer the time for the payment or repayment of any Advance or any other amount payable hereunder to which such Participant has a right.

14.6 **Governing Law**

- (a) This Agreement shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein.
- (b) The Seller hereby consents and agrees that the courts of the Province of Ontario shall have non-exclusive jurisdiction to hear and determine any claims or disputes between the Seller and the Buyer pertaining to this Agreement or any of the other documents related thereto or to any matter arising out of or relating to this Agreement or any of the other documents related thereto. Nothing in this Agreement shall be deemed or operate to preclude the Buyer from bringing suit or taking other legal action in any other jurisdiction to realize on the Collateral or any other security for the obligations, or to enforce a judgment or other court order. The Seller expressly submits and consents in advance to such jurisdiction in any action or suit commenced in any such court, and the Seller hereby waives any objection that it may have based upon lack of personal jurisdiction, improper venue or *forum non conveniens* and hereby consents to the granting of such legal or equitable relief as is deemed appropriate by such court. The Seller hereby waives personal service of the summons, complaint and other process issued in any such action or suit and agrees that service of such summons, complaints and other process may be made by registered mail (return receipt requested) addressed to it at the address set forth in Section 14.13 of this Agreement and that service so made shall be deemed completed upon the earlier of its actual receipt thereof or three (3) Business Days after deposit with Canada Post, proper postage paid.

14.7 **Confidentiality**

This Agreement is being executed on a highly confidential basis on the understanding that this Agreement, any related documents, the existence and contents thereof and the existence and contents of any discussions related thereto (“**Confidential Information**”) shall not be disclosed by the Seller or the Buyer to any third party or made public without the prior written consent of the other party, except for disclosure to such party’s legal and financial advisors, directors, officers and employees who are bound by the terms of confidentiality arrangements to keep all

such Confidential Information confidential (with the applicable party bearing all risk of such disclosure).

14.8 Counterparts; Electronic Signatures

This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signatures provided by electronic transmission shall be valid and binding.

14.9 Indemnity

The Seller shall indemnify and hold harmless the Buyer and its Affiliates, and each such Person's respective officers, directors, shareholders, employees, legal counsel, agents and representatives (each, an "**Indemnified Person**"), from and against any and all suits, actions, proceedings, orders, claims, damages, losses, liabilities and expenses (including reasonable and documented legal fees and disbursements and other costs of investigation or defense, including those incurred upon any appeal) that may be instituted or asserted against or incurred by any such Indemnified Person as a result of or in connection with (i) the breach by the Seller of its obligations in connection with or arising out of the transactions contemplated under this Agreement and the other documents related thereto and any actions or failures to act in connection therewith including the taking of any enforcement actions by the Buyer and (ii) all legal costs and expenses arising out of or incurred in connection with disputes between or among the Buyer, the Seller and/or any other party or parties to any of the documents related thereto (collectively, "**Indemnified Liabilities**"); provided that the Seller shall not be liable for any indemnification to an Indemnified Person to the extent that any such suit, action, proceeding, claim, damage, loss, liability or expense results from that Indemnified Person's gross negligence or wilful misconduct. No Indemnified Person shall be responsible or liable to any other party to any document related thereto, any successor, assignee or third party beneficiary of such Person or any other Person asserting claims derivatively through such party, for indirect, punitive, exemplary or consequential damages which may be alleged as a result of any transaction contemplated hereunder or under any of the documents related thereto.

14.10 No Waiver

The Buyer's failure, at any time or times, to require strict performance by the Seller of any provision of this Agreement or any other document related thereto shall not waive, affect or diminish any right of the Buyer thereafter to demand strict compliance and performance herewith or therewith. Any suspension or waiver of an Event of Default shall not suspend, waive or affect any other Event of Default whether the same is prior or subsequent thereto and whether the same or of a different type. Except as otherwise provided for herein, none of the undertakings, agreements, warranties, covenants and representations of the Seller contained in this Agreement or any of the other documents related thereto and no Default or Event of Default shall be deemed to have been suspended or waived by the Buyer, as applicable, unless such waiver or suspension is by an instrument in writing from the Buyer and directed to the Seller specifying such suspension or waiver.

14.11 Remedies

The Buyer's rights and remedies under this Agreement shall be cumulative and nonexclusive of any other rights and remedies that the Buyer may have under any other agreement, including the other documents related thereto, by operation of law or otherwise. Recourse to the Collateral shall not be required.

14.12 Severability

Wherever possible, each provision of this Agreement and the other documents related thereto shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Agreement or any other document related thereto shall be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement or such other document related thereto.

14.13 Notices

Except as otherwise provided herein, whenever it is provided herein that any notice, demand, request, consent, approval, declaration or other communication shall or may be given to or served upon any of the parties by any other parties, or whenever any of the parties desires to give or serve upon any other parties any communication with respect to this Agreement, each such notice, demand, request, consent, approval, declaration or other communication shall be in writing and shall be deemed to have been validly served, given or delivered

- (a) upon the earlier of actual receipt and three (3) Business Days after deposit with Canada Post, registered mail, return receipt requested, with proper postage prepaid,
- (b) upon receipt, when sent by electronic mail,
- (c) one (1) Business Day after deposit with a reputable courier for overnight delivery with all charges prepaid, or
- (d) when delivered, if hand-delivered by messenger, all of which shall be addressed to the party to be notified and sent to the address indicated on Schedule B hereto or to such other address as may be substituted by notice given as herein provided.

The giving of any notice required hereunder may be waived in writing by the party entitled to receive such notice. Failure or delay in delivering copies of any notice, demand, request, consent, approval, declaration or other communication to any Person (other than the Seller) designated Schedule B to receive copies shall in no way adversely affect the effectiveness of such notice, demand, request, consent, approval, declaration or other communication.

14.14 Section Titles

The Section titles and Table of Contents contained in this Agreement are and shall be without substantive meaning or content of any kind whatsoever and are not a part of the agreement between the parties hereto.

14.15 Reinstatement

This Agreement shall remain in full force and effect and continue to be effective should any petition or other proceeding be filed by or against the Seller for liquidation or reorganization, should the Seller become insolvent or make an assignment for the benefit of any creditor or creditors or should an interim receiver, receiver, receiver and manager or trustee be appointed for all or any significant part of the Seller's assets, and shall continue to be effective or to be reinstated, as the case may be, if at any time payment and performance of the obligations under the Advances, or any part thereof, is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the Advances, whether as a fraudulent preference, reviewable transaction or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the obligations under the Advances shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

14.16 No Strict Construction

The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favouring or disfavouring any party by virtue of the authorship of any provisions of this Agreement.

14.17 Permitted Liens

Except as otherwise expressly provided in this Agreement, the designation of any Lien as a "Permitted Lien" is not, and shall not be deemed to be, an acknowledgment by the Buyer that the Lien shall have priority over the security interests granted to the Buyer in the Collateral pursuant to the Security Documents.

14.18 Principles of Construction

- (a) Unless otherwise specified, references in this Agreement or any of the Exhibits, Annexes, Schedules or Appendices to a Section, subsection or clause refer to such Section, subsection or clause as contained in this Agreement. The words "herein," "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole, including all Annexes, Exhibits and Schedules, as the same may from time to time be amended, restated, modified or supplemented, and not to any particular section, subsection or clause contained in this Agreement or any such Annex, Exhibit or Schedule.
- (b) Wherever from the context it appears appropriate, each term stated in either the singular or plural shall include the singular and the plural, and pronouns stated in the masculine, feminine or neuter gender shall include the masculine, feminine and neuter genders. The words "including", "includes" and "include" shall be deemed to be followed by the words "without limitation"; the word "or" is not exclusive; references to Persons include their respective successors and assigns (to the extent and only to the extent permitted by the agreement) or, in the case of

Governmental Entities, Persons succeeding to the relevant functions of such Persons; and all references to statutes and related regulations shall include any amendments of the same and any successor statutes and regulations. Whenever any provision in any agreement refers to the knowledge (or an analogous phrase) of the Seller, such words are intended to signify that the Seller has actual knowledge or awareness of a particular fact or circumstance or that the Seller or, if it had exercised reasonable diligence, would have known or been aware of such fact or circumstance.

- (c) All Annexes, Schedules, Exhibits and other attachments (collectively, “**Appendices**”) hereto, or expressly identified to this Agreement, are incorporated herein by reference, and taken together with this Agreement, shall constitute one single agreement.

14.19 Iron Ore Stockpile Agreement

For the duration of the term of this Agreement, the Buyer: (a) agrees that the Iron Ore Stockpile Purchase Agreement dated December 17, 2019 between the Seller and the Buyer shall continue for the term of this Agreement; and (b) shall continue to provide onsite technical support to the Seller, at no cost to the Seller, in such manner as determined by the Buyer in its sole discretion.

14.20 Amendment and Restatement

From and after the Effective Date, this Agreement shall for all purposes be deemed to be an amendment and restatement of the Existing Facility Agreement in its entirety and shall, from and after the Effective Date, supersede the Existing Facility Agreement. The amendment and restatement of the Existing Facility Agreement pursuant to this Agreement shall not in any manner be construed to constitute payment of, or impair, limit, cancel or extinguish, or constitute a novation in respect of, the Obligations and liabilities of the Seller evidenced by or arising under the Existing Facility Agreement, and the Security and Liens securing such Obligations and liabilities shall not in any manner be impaired, limited, terminated, waived or released. All of the Security and the other Financing Documents (other than the Existing Facility Agreement) delivered in connection with the Existing Facility Agreement are hereby expressly reaffirmed by the Seller, and shall remain in full force and effect.

[Remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first written above.

TACORA RESOURCES INC., as Seller

Per: _____
Name:
Title:

**CARGILL INTERNATIONAL
TRADING PTE LTD., as Buyer**

Per: _____
Name:
Title:

Per: _____
Name:
Title:

**SCHEDULE C
DEFINITIONS**

Defined Term	Section Number
Appendices	14.1(e) -14.18(c)
<u>Additional Prepay Advances</u>	<u>2.2(b)</u>
<u>Additional Prepay Draw Notice</u>	2.3(c)
Buyer	Parties
Collateral	8.1 (l)(1)
Company Permits	8.1(j)(i) 8(j)(i)
Confidential Information	14.7
Criminal Code interest	5.1(a)
criminal rate	5.1(a)
Event of Default	10.1
Excess Amount	5.1(a)
Excess Margin <u>Senior Priority</u> Advance Amount	2.2(c)
Existing Facility Agreement	Recitals
First Amendment	Recitals
Floor Price Premium	2.4
Indemnified Liabilities	14.9
Indemnified Person	14.9
Initial Advance Date	2.2 2.3(a)
Initial Margin Advance	2.2(b)(i) 2.2(a)(ii)(A)
Margin Advance	2.2(a)(ii)(B)
Milestone	9.1(bb) 9(bb)
Noteholder Restructuring Agreement	9.1(bb) 9(bb)
Offtake Amendment Termination Date	2.2(a)(<u>i</u>)
Original Facility Agreement	Recitals
Required Consents	8.1(n) 8(n)
RSA	9.1(bb) 9(bb)
Security	3.1
Seller	Parties
Seller Offtake Margin Amounts	2.2(b)(ii) 2.2(a)(ii)(B)
Taxes	13.1
Termination Date	4.1
Withholding Taxes	13.1

In addition, the following terms used in this Agreement shall have the following meanings:

“**2023 Notes Warrants**” means the 346,624,268 penny warrants issued to certain holders of the Initial 2023 Notes, as consideration for backstopping the purchase of the Initial 2023 Notes and entry into certain amendments to the Indenture, which shall be immediately exercisable for a two-year period and expiring on May 11, 2025.

“**Advances**” means, collectively, the Original Advances (including the Floor Price Premium) ~~and~~ the Margin [Advances and the Additional Prepay](#) Advances, and each individually, an “**Advance**”.

“**Advisors**” means the legal and financial advisors to the Buyer.

“**Affiliate**” means (a) any Person which, directly or indirectly, Controls, is Controlled by or is under common Control with any other Person; (b) any Person which beneficially owns or holds, directly or indirectly, 10% or more of any class of voting stock or equity interest (including partnership interests) of any other Person; (c) any Person, 10% or more of any class of the voting stock (or if such Person is not a corporation, 10% or more of the equity interest, including partnership interests) of which is beneficially owned or held, directly or indirectly, by any other Person; or (d) any Person related within the meaning of the *Income Tax Act* (Canada) to any such Person and includes any “Affiliate” within the meaning specified in the CBCA on the Original Agreement Date.

“**Affiliate Payments**” means all payments to shareholders, directors, senior executives and their related parties or Affiliates, whether under contract or otherwise, including bonus payments, transaction payments, change of control payments, management fees, consulting or advisory fees or amounts payable in respect of reimbursements.

“**Amended Shareholders Agreement**” means the second amended and restated shareholders’ agreement by and among the Seller and the Shareholders, in form and substance satisfactory to the Buyer.

“**BIA**” means the *Bankruptcy and Insolvency Act* (Canada), as amended.

“**Business Day**” means each day other than a Saturday or Sunday or a statutory or civic holiday that banks are open for business in Canada, the United States of America and Singapore.

“**Calculation Date**” has the meaning given to such term in the Offtake Agreement.

“**Cargill**” means Cargill, Incorporated.

“**Cargill Initial Warrants**” means penny warrants issued to Cargill as additional consideration for the Initial Advance and entry into the Original Facility Agreement, which shall be exercisable into common shares, representing a 10% equity ownership in the Seller on a fully-diluted basis and be immediately exercisable for a two-year period and expiring on January 9, 2025.

“**Cargill Extension Warrants**” means the penny warrants issued to Cargill as additional consideration for entry into the First Amendment, including the extension of the Termination Date thereunder, which shall be exercisable into common shares, representing a 25% equity ownership in the Seller on a fully-diluted basis and be immediately exercisable for a two-year period and expiring on April 29, 2025, all of which shall be issued pursuant to a warrant certificate in form and substance satisfactory to the Buyer and Cargill.

“**Cash Flow Forecast**” means the weekly cash flow forecast for the Seller for the period from January 1, 2023 until ~~July 14~~ [September 12](#), 2023, as delivered to the Buyer in connection with the First Amendment, which cash flow forecast shall contain, among all other items, all

anticipated Professional Fees, presented on a weekly basis, as may be amended from time to time with the prior written consent of the Buyer.

“**CBCA**” means the *Canada Business Corporations Act*, as amended.

“**CCAA**” means the *Companies’ Creditors Arrangement Act* (Canada), as amended.

“**Change of Control**” means the occurrence of any one of the following event:

- (a) any person or group (other than Cargill, the Buyer or their Affiliates) acting in concert directly or indirectly (i) shall have acquired beneficial ownership or control of 50% or more on a fully diluted basis of the aggregate voting power of the Seller’s Equity Securities or (ii) shall have otherwise acquired Control of the Seller; or
- (b) the occupation of a majority of the seats (other than vacant seats) on the board of directors of the Seller by persons who were neither (a) nominated by the board of directors of the Seller as composed on the Initial Advance Date nor (b) appointed by directors so nominated.

“**Contracts**” means all agreements, contracts, leases (whether for real or personal property), purchase orders, undertakings, covenants not to compete, employment agreements, confidentiality agreements, licenses, instruments, obligations and commitments to which a Person is a party or by which a Person or any of its assets are bound or affected, whether written or oral.

“**Control**” (including the terms “controlled by” and “under common control with”), means the possession, directly or indirectly, whether by voting rights or otherwise, of the power to direct or cause the direction of the management and policies of the Person in question.

“**Default**” means any event or occurrence that, with notice or the passage of time or both, would be an Event of Default.

“**Distribution**” means (i) the retirement, redemption, retraction, purchase, repayment or other acquisition of any Equity Securities of any Person; (ii) the declaration or payment of any dividend, return of capital or other distribution of, on or in respect of Equity Securities of any Person; and (iii) any other payment or distribution (in cash, securities or other property or otherwise) of, on or in respect of any Equity Securities of any Person.

“**DMT**” has the meaning given to such term in the Offtake Agreement.

“**Effective Date**” means the date on which this Agreement becomes effective in accordance with Section 7.1.

“**Equity Securities**” means, with respect to any Person, any and all shares, interests, participations, rights in, or other equivalents (however designated and whether voting and non-voting) of, such Person’s capital, whether outstanding on the Original Agreement Date or issued after the Original Agreement Date, including any interest in a partnership, limited partnership or

other similar Person and any beneficial interest in a trust, and any and all rights, warrants, debt securities, options or other rights exchangeable for or convertible into any of the foregoing.

“**Excluded Taxes**” means Taxes that satisfy both of the following criteria:

- (a) the Tax is calculated or based upon or measured by the Buyer’s overall net income, capital, net receipts or net profits or franchise taxes imposed in lieu thereof; and
- (b) the Tax is imposed by a Governmental Entity in a jurisdiction in which the Buyer is organized, or its principal office is located or is carrying on business otherwise than as a result of entering into this Agreement,

provided that, for greater certainty and notwithstanding the foregoing, any Tax calculated or based upon or measured by the gross amount of income earned or payment received by the Buyer or that is imposed under Part XIII of the Income Tax Act (Canada) is not an Excluded Tax.

“**Existing Notes**” means the 8.250% Senior Secured Notes due 2026 in an aggregate principal amount of \$225,000,000 issued on May 11, 2021, pursuant to the Indenture.

“**Financial Statements**” means (a) the most recent audited consolidated balance sheet of the Seller and the related audited consolidated statement of operations and comprehensive loss, consolidated statement of cash flows for each of the fiscal years then ended, together with the report thereon of independent certified public accountants, each prepared in accordance with GAAP consistently applied throughout the periods covered, and (b) the most recent unaudited consolidated balance sheet of the Seller, and the related unaudited consolidated statement of operations and comprehensive loss and consolidated statement of cash flows for such period, each prepared in accordance with GAAP consistently applied throughout the periods covered.

“**Financing Documents**” means this Agreement, the Security Documents, the Pari Passu Intercreditor Agreement, the Senior Priority Intercreditor Agreement and all other documents or instruments delivered pursuant to the terms thereof or in connection therewith, including all agreements of the Buyer with, and consents provided to the Buyer from, third parties.

“**Financing Transaction**” means any transaction involving the incurrence of Indebtedness in excess of \$100,000 or otherwise amending, restating, extending, refinancing or replacing any existing Indebtedness of the Seller, other than Lease Obligations in the ordinary course of business.

“**First Noteholder Side Letter**” means [the side letter agreement dated May 29, 2023 between the Seller, the Buyer, Cargill and certain holders of Initial 2023 Notes or other notes issued under the Indenture.](#)

“**Floor Price**” has the meaning given to such term in the Offtake January Amendment.

“**FPM Payable Amount**” has the meaning given to such term in the Offtake May Side Letter.

“**GAAP**” means International Financial Reporting Standards as in effect from time to time.

“**Governmental Entity**” means any government, regulatory authority, governmental department, agency, commission, bureau, official, minister, Crown corporation, court, board, tribunal or dispute settlement panel or other law, rule or regulation-making organization or entity: (a) having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them; or (b) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power.

“**Guarantee**” of or by any Person (in this definition, the “**guarantor**”) means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation of any other Person (in this definition, the “**primary credit party**”) in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect, (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof (whether in the form of a loan, advance, stock purchase, capital contribution or otherwise), (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness or other obligation of the payment thereof, (c) to maintain working capital, equity capital solvency, or any other balance sheet, income statement or other financial statement condition or liquidity of the primary credit party so as to enable the primary credit party to pay such Indebtedness or other obligation, (d) as an account party in respect of any letter of credit or letter of guarantee issued to support such Indebtedness or other obligation, or (e) to purchase, sell or lease (as lessor or lessee) property, or to purchase or sell services, primarily for the purpose of enabling the debtor to make payment of such Indebtedness or to assure the holder of such Indebtedness against loss.

“**Indebtedness**” of any Person means, without duplication, (a) all obligations of such Person for borrowed money or with respect to deposits or advances of any kind, (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (c) all obligations of such Person upon which interest charges are customarily paid, (d) all obligations of such Person under conditional sale or other title retention agreements relating to property acquired by such Person, (e) all obligations of such Person in respect of the deferred purchase price of property or services (excluding current accounts payable incurred in the ordinary course of business), (f) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such Person, whether or not the Indebtedness secured thereby has been assumed, (g) all Guarantees by such Person of Indebtedness of others, (h) all Lease Obligations of such Person, (i) all obligations, contingent or otherwise, of such Person as an account party in respect of letters of credit and letters of guarantee, (j) all obligations, contingent or otherwise, of such Person in respect of bankers’ acceptances, (k) all negative marked-to-market exposure of such Person under Swap Agreements, (l) all obligations of such Person to purchase, redeem, retire, defease or otherwise acquire for value (other than for other Equity Securities) any Equity Securities in the capital of such Person, valued, in the case of redeemable Equity Securities, at the greater of voluntary or involuntary liquidation preference, plus accrued and unpaid dividends and (m) all obligations of such Person under any streaming agreements, royalties or other similar transactions, including any obligations under prepaid purchase and sale agreements.

“**Indenture**” means, collectively, the Amended and Restated Base Indenture dated as of May 11, 2023, by and among the Seller, as issuer, the guarantors from time to time party thereto and the Notes Collateral Agent, as trustee and collateral agent, as supplemented by a first supplemental indenture dated as of May 11, 2023, ~~and~~ a second supplemental indenture dated as of May 11, 2023, and a third supplemental indenture dated as of June 23, 2023, as the same may be further amended, restated, amended and restated, supplemented or otherwise modified from time to time.

“**Initial 2023 Notes**” means the 9.00% Cash / 4.00% PIK Senior Secured First Lien Notes due 2023 in an aggregate principal amount of \$27,000,000 issued on May 11, 2023, pursuant to the Indenture.

“**Initial Advance**” has the meaning given to such term in the Existing Facility Agreement.

“**Investment**” means, as applied to any Person (the “investor”), any direct or indirect purchase or other acquisition by the investor of, or a beneficial interest in, Equity Securities of any other Person, including any exchange of Equity Securities for Indebtedness, or any direct or indirect loan, advance (other than advances to employees for moving and travel expenses, drawing accounts and similar expenditures in the ordinary course of business) or capital contribution by the investor to any other Person, including all Indebtedness and accounts owing to the investor from such other Person that did not arise from sales or services rendered to such other Person in the ordinary course of the investor’s business, or any direct or indirect purchase or other acquisition of bonds, notes, debentures or other debt securities of, any other Person.

“**Lease**” means, at the time any determination is made, a lease of real or personal property that would at that time be required to be classified as a “lease” in accordance with GAAP.

“**Lease Obligations**” of any Person means, at the time any determination is to be made, the amount of the liability in respect of a Lease that would at that time be required to be accounted for as a lease liability on a balance sheet in accordance with GAAP.

“**Liability**” or “**Liabilities**” means any direct or indirect liability, indebtedness, obligation, commitment, expense, claim, deficiency, guaranty or endorsement of or by any Person of any type, whether accrued, absolute, contingent, matured, unmatured liquidated, unliquidated, known or unknown.

“**Lien**” means, with respect to any asset, any mortgage, lien, pledge, charge, hypothec, debenture, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the PPSA (or equivalent statutes) of any jurisdiction.

“**Liquidity Event**” means a Financing Transaction, a Sale Transaction, a Restructuring or Recapitalization Transaction or a Change of Control.

“**Liquidity Management Plan**” means the liquidity management plan in form and substance satisfactory to the Buyer.

“**Margin Amount**” has the meaning given to such term in the Offtake Agreement.

“**Material**” means material, or reasonably expected to be material, to the business, affairs, results of operations or financial condition of the Seller or the operation of the Mine.

“**Material Adverse Effect**” individually or in the aggregate, any event, change or effect that could reasonably be expected to have a materially adverse effect on (i) the business, operations, assets, liabilities (including contingent liabilities), condition (financial or otherwise) of the Seller (ii) the operation of the Mine, (iii) any material impairment of the Seller’s ability to consummate the transactions contemplated by this Agreement and the other Financing Documents or to perform their respective obligations thereunder or (iv) the rights and remedies of the Buyer under this Agreement and the other Financing Documents.

“**Material Contract**” means (a) the contracts, licences and agreements listed and described on Schedule E hereto, and (b) any other contract, licence or agreement (i) to which the Seller is a party or by which it is bound, (ii) which is Material to, or necessary in, the operation of the Mine or otherwise in the operation of the business of the Seller, and (iii) which the Seller cannot promptly replace by an alternative and comparable contract with comparable commercial terms.

“**Maximum ~~Margin~~ Senior Priority Advance Amount**” means \$25,000,000 (including any amount on account of the Margin Advance Fee).

“**Mine**” means the Wabush Scully mine and processing plant in Newfoundland and Labrador, Canada and related facilities and infrastructure necessary to ship any ore extracted thereof.

~~“**Noteholder Side Letter**” means the side letter agreement dated on or about the date hereof between the Seller, the Buyer, Cargill and certain holders of Initial 2023 Notes or other notes issued under the Indenture,~~

“**Noteholder Side Letters**” means the First Noteholder Side Letter and the Second Noteholder Side Letter.

“**Notes Collateral Agent**” means Computershare Trust Company, N.A. (as successor to Wells Fargo Bank, National Association), as trustee and collateral agent under the Indenture, the Pari Passu Intercreditor Agreement and the Senior Priority Intercreditor Agreement.

“**Obligations**” means all obligations of the Seller under or in connection with this Agreement and the other Financing Documents, including all fees and expenses payable or reimbursable pursuant to Section 12, the amounts deemed to be advanced on account of the Floor Price Premium, the Additional Prepay Advances, the Margin Advances, the Margin Advance Fee and, if applicable, any Excess Amount. Notwithstanding anything herein to the contrary, solely for purposes of the Pari Passu Intercreditor Agreement, the Senior Priority Obligations shall not constitute “Obligations”.

“**Offtake Agreement**” means the Restatement of the Iron Ore Sale and Purchase Agreement dated November 11, 2018, as amended by the amendment dated March 2, 2020, emails dated June 10 through June 16, 2021 between representatives of the Buyer and the Seller, Offtake

January Amendment, the Offtake May Side Letter, Section 2.2(a)(i) of this Agreement, and as further amended from time to time.

“**Offtake January Amendment**” means the amendment to the Offtake Agreement dated on or about the Initial Advance Date in form and substance satisfactory to the Buyer.

“**Offtake May Side Letter**” means the Fixed Price Side Letter 5 dated on or about the Effective Date in form and substance satisfactory to the Buyer.

“**Operational Turnaround Plan**” means the operational turnaround plan in form and substance satisfactory to the Buyer.

“**Ore**” has the meaning given to such term in the Offtake Agreement.

“**Original Advances**” means advances made under the Existing Facility Agreement in the aggregate amount of \$30,000,000, including the deemed advance of the Floor Price Premium.

“**Original Agreement Date**” means January 3, 2023.

“**Orion**” means OMF Fund II (Be) Ltd. and its Affiliates.

“**Pari Passu Indebtedness**” has the meaning given to such term in the Indenture.

“**Pari Passu Intercreditor Agreement**” means the pari passu intercreditor agreement dated as of January 9, 2023 by and among, the Buyer, the Seller and the Notes Collateral Agent.

“**Permitted Issuances**” means the issuance by the Seller of (a) the Cargill Initial Warrants; (b) the Cargill Extension Warrants; (c) the 2023 Notes Warrants; (d) any stock options, performance share units, warrants or other instrument or consideration (including, without limitation, stock appreciation, phantom stock, or other similar rights) to the directors, officers, employees or consultants of the Seller; and (e) penny warrants issued to certain suppliers of the Seller in connection with amendments to Material Contracts to improve the liquidity of the Seller, as approved by the Buyer or the Advisors, acting reasonably, provided that the instruments issued pursuant to the foregoing clauses (e) and (e) shall be exercisable into common shares of the Seller and shall in the aggregate be exercisable for no more than 10% equity ownership in the Seller on a fully-diluted basis, and shall be issued pursuant to warrant certificates or other instruments in form and substance satisfactory to Buyer, acting reasonably.

“**Permitted Liens**” means (a) Liens in favour of the Notes Collateral Agent as in existence on the date of this Agreement and which are subject to the Pari Passu Intercreditor Agreement and the Senior Priority Intercreditor Agreement, (b) Liens arising by operation of law in the ordinary course of business without any contractual grant of security and (b) as have been previously disclosed in lien searches conducted by Buyer’s counsel prior to the Initial Advance Date, and which are set out on Schedule D hereto, together with any other lien set out on Schedule D hereto.

“**Person**” means any natural person, corporation, company, limited liability company, unlimited liability company, trust, joint venture, association, incorporated organization, partnership, Governmental Entity or other entity.

“**Preferred Share Amendments**” means the amendments to the terms of the existing preferred shares held by Buyer to, among other things, provided that the conversion price protection thereunder shall be extended to December 31, 2024, all in form and substance satisfactory to the Buyer.

“**Product**” means the Ore to be delivered as stipulated in clause 9 of the Offtake Agreement.

“**Purchase Price**” has the meaning given to such term in the Offtake Agreement.

“**Restructuring or Recapitalization Transaction**” means the consummation of any restructuring, reorganization or recapitalization of the Existing Notes, the Initial 2023 Notes and other Indebtedness of the Seller pursuant to a plan of arrangement, plan of compromise or similar restructuring plan pursuant to the CBCA, the Business Corporations Act (Ontario), the CCAA, the BIA or any similar law of another jurisdiction, including provisions of corporate statutes providing for a stay of proceedings or the compromise of claims.

“**Restructuring Plan**” means a plan prepared by the Seller, in consultation with the Buyer in respect of opportunities related to a Financing Transaction, a Sale Transaction, a Restructuring or Recapitalization Transaction and/or other transaction in respect of the capital structure of the Seller.

“**Retention Plan**” means the retention plan prepared by the Seller ~~in respect of key management, directors and/or employees, on terms and conditions, including as to identification of individuals and compensation arrangements, satisfactory to the Buyer~~ and approved in accordance with the First Noteholder Side Letter.

“**Sale Transaction**” means the direct or indirect sale, lease, transfer, conveyance or other disposition in one or a series of related transactions, of all or substantially all of the properties or assets of the Seller and its subsidiaries taken as a whole.

“**Second Noteholder Side Letter**” means the side letter agreement dated June [●], the Buyer, Cargill and certain holders of Initial 2023 Notes or other notes issued under the Indenture,

“**Security Documents**” means each of the documents set out on Schedule A hereto and all other security agreements, pledge agreements, debentures, mortgages, control agreements, intellectual property security agreements, collateral assignments, or other grants or transfers for security executed and delivered by the Seller or any guarantor creating (or purporting to create) a Lien upon Collateral in favour of the Buyer, in each case, as amended, modified, restated or replaced, in whole or in part, from time to time, in accordance with the Pari Passu Intercreditor Agreement

“**Senior Priority Intercreditor Agreement**” means the collateral agency and priority agreement dated as of May 11, 2023 by and among, the Buyer, the Seller and the Notes Collateral Agent.

“**Senior Priority Obligations**” means all Obligations under or in respect of the Margin Advances (including the Margin Advance Fee) and the Additional Prepay Advances.

“**Shareholders**” means each of the shareholders of the Seller as of the Initial Advance Date.

“**Swap Agreement**” means any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions.

“**Tacora Orion Letter**” means the letter between OMF Fund II (Be) Ltd., OMF FUND II H Ltd, the Seller, Tacora Norway AS and Sydvaranger Mining AS, dated on or about the date of this Amendment Agreement and this Agreement.


“**WMT**” has the meaning given to such term in the Offtake Agreement.

EXHIBIT "J"

referred to in the Affidavit of

JOE BROKING

Sworn October 9, 2023

DocuSigned by:

36124C4218DD47C...

Commissioner for Taking Affidavits
Philip Yang

Tacora Resources Inc.

Consolidated Cash Flow Projections

<i>(\$USD in thousands)</i>																						
Forecast Week Ending	15-Oct-23	22-Oct-23	29-Oct-23	05-Nov-23	12-Nov-23	19-Nov-23	26-Nov-23	03-Dec-23	10-Dec-23	17-Dec-23	24-Dec-23	31-Dec-23	07-Jan-24	14-Jan-24	21-Jan-24	28-Jan-24	04-Feb-24	11-Feb-24	18-Feb-24	25-Feb-24	20 Week	
Forecast Week	[1]	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	Total
Total Receipts	[2]	(807)	9,861	7,170	5,847	6,791	8,750	6,729	6,803	6,564	6,820	6,086	8,113	7,297	6,665	7,033	6,797	7,349	6,771	7,444	7,899	135,981
Operating Disbursements	[3]																					
Employees		(2,077)	(300)	(1,987)	(205)	(1,877)	(205)	(1,977)	(1,167)	(1,939)	(205)	(2,139)	(285)	(2,443)	(205)	(2,147)	(205)	(2,154)	(206)	(2,000)	(206)	(23,930)
Mine, Mill and Site Costs		(1,993)	(1,305)	(1,770)	(1,280)	(1,936)	(1,673)	(1,305)	(1,772)	(1,750)	(1,318)	(4,780)	(1,089)	(1,976)	(927)	(2,113)	(5,963)	(2,151)	(1,353)	(1,854)	(1,299)	(39,605)
Plant Repairs and Maintenance		(1,693)	(1,937)	(2,637)	(2,403)	(2,371)	(2,321)	(2,471)	(2,410)	(2,439)	(2,239)	(2,189)	(2,089)	(2,086)	(2,086)	(2,086)	(2,086)	(2,087)	(2,165)	(2,165)	(2,165)	(44,122)
Logistics		(5,097)	(1,066)	(1,199)	(4,675)	(1,243)	(1,616)	(1,066)	(1,889)	(4,114)	(1,066)	(1,733)	(1,199)	(4,562)	(1,067)	(1,067)	(1,200)	(4,827)	(1,068)	(1,245)	(1,068)	(42,065)
Capital Expenditures		(1,152)	(3,828)	(1,615)	(2,290)	(7,911)	(2,090)	(2,090)	(1,590)	(2,905)	(2,205)	(1,105)	(1,105)	(1,451)	(750)	(750)	(750)	(1,451)	(750)	(750)	(750)	(37,288)
Other		(566)	(619)	(1,079)	(400)	(400)	(400)	(400)	(608)	(400)	(400)	(633)	(400)	(400)	(400)	(987)	(513)	(400)	(400)	(400)	(455)	(10,263)
Total Operating Disbursements		(12,578)	(9,055)	(10,287)	(11,253)	(15,738)	(8,305)	(9,309)	(9,436)	(13,547)	(7,433)	(12,346)	(6,400)	(12,918)	(5,435)	(8,562)	(11,191)	(13,184)	(5,941)	(8,414)	(5,942)	(197,273)
Net Cash from Operations		(13,386)	806	(3,117)	(5,406)	(8,948)	445	(2,579)	(2,634)	(6,982)	(613)	(6,260)	1,713	(5,620)	1,230	(1,529)	(4,394)	(5,835)	830	(970)	1,957	(61,292)
Restructuring Legal and Professional Costs	[4]	(497)	(1,696)	(405)	(400)	(269)	(269)	(223)	(490)	(223)	(223)	(223)	(490)	(223)	(223)	(223)	(223)	(491)	(223)	(223)	(223)	(7,458)
KERP	[5]	-	(3,035)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(3,035)
NET CASH FLOWS		(13,882)	(3,925)	(3,521)	(5,806)	(9,216)	176	(2,802)	(3,124)	(7,205)	(835)	(6,483)	1,490	(6,111)	1,008	(1,752)	(4,617)	(6,326)	607	(1,193)	1,734	(71,784)
Cash																						
Beginning Cash Balance		12,272	13,890	9,965	15,806	10,000	10,000	10,176	13,428	10,000	10,835	10,000	10,000	11,123	10,000	11,008	15,077	10,000	10,000	10,607	9,964	12,272
Net Receipts/ (Disbursements)		(13,882)	(3,925)	(3,521)	(5,806)	(9,216)	176	(2,802)	(3,124)	(7,205)	(835)	(6,483)	1,490	(6,111)	1,008	(1,752)	(4,617)	(6,326)	607	(1,193)	1,734	(71,784)
DIP Advances/ (Repayments)	[6]	15,500	-	9,422	-	9,216	-	6,054	-	8,041	-	6,483	-	4,988	-	5,821	-	6,326	-	550	-	72,400
DIP Fees & Interest Payment	[7]	-	-	(59)	-	-	-	-	(304)	-	-	-	(367)	-	-	-	(460)	-	-	-	(540)	(1,730)
Ending Cash Balance		13,890	9,965	15,806	10,000	10,000	10,176	13,428	10,000	10,835	10,000	10,000	11,123	10,000	11,008	15,077	10,000	10,000	10,607	9,964	11,158	11,158
Memo: Total DIP Advances		15,500	-	9,422	-	9,216	-	6,054	-	8,041	-	6,483	-	4,988	-	5,821	-	6,326	-	550	-	72,400

Notes to the Consolidated Cash Flow Projections:

[1] The purpose of the Cashflow Projections is to estimate the liquidity requirements of Tacora Resources Inc. ("Tacora", or the "Company") during the forecast period. The forecast above is presented in US Dollars.

Any estimates in Canadian dollars have been translated at an fx rate of 1.35.

[2] Forecast Total Receipts are based on management's current expectations regarding productions and vessel shipments of iron ore concentrate (total tonnage) and price indices net of mark to market adjustments.

Receipts from operations have been forecast based on current payment terms, historical trends in collections and expected vessel shipment schedules.

[3] Operating disbursements include the following key categories:

Forecast Employee Costs are based on historic payroll amounts and future forecast payments.

Forecast Mine, Mill and Site Costs primarily include site costs based on forecast activity levels and known commitments including, utilities, fuel, and supplies and consumables.

Forecast Plant Repairs and Maintenance costs relate to Scully Mine. Plant repairs and maintenance also includes contract labour at the Scully Mine.

Forecast Logistics costs primarily include rail transportation costs as well as port-related payments.

Forecast Capital Expenditures include costs related to mine, milling, and other logistics / infrastructure improvements.

Forecast Other costs include environmental costs, security and other costs at the Scully Mine and corporate.

[4] Forecast Restructuring Legal and Professional Costs include legal and financial advisors of the Company, the Monitor and the DIP Lender associated with the CCAA proceedings and are based on estimates.

[5] Forecast Key Employee Retention Plan (KERP) consistent with the Initial Affidavit.

[6] Forecast DIP Advances/Repayments are consistent with the DIP term sheet. Forecast DIP Advances/Repayments are based on funding requirements and maintaining a minimum cash balance throughout the period.


[7] DIP Fees and Interest are calculated based on total draws.

EXHIBIT "K"

referred to in the Affidavit of

JOE BROKING

Sworn October 9, 2023

DocuSigned by:

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Commissioner for Taking Affidavits
Philip Yang

DIP FACILITY TERM SHEET

This term sheet dated as of October 9, 2023 (this “**Term Sheet**”) sets out the terms on which Cargill, Incorporated (“**Cargill**”) is prepared to provide debtor-in-possession financing to Tacora Resources Inc.

Background:

CITPL (as defined below) is party to various existing agreements with Tacora, including the Advance Payments Facility Agreement, the Offtake Agreement, the Onshore Agreement and the Wetcon PSA (collectively, the “**Existing Arrangements**”) and, pursuant to certain of those Existing Arrangements, Cargill provides various forms of financing and credit, as well as margining, hedging, price protection and operational support, to Tacora.

Tacora has requested that Cargill provide the DIP Facility (as defined below) and continue the Existing Arrangements during the pendency of its proceedings (the “**CCAA Proceedings**”) under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”) to be commenced before the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) and in accordance with the terms and conditions set out herein;

Cargill has agreed to cause CITPL to continue the Existing Arrangements and provide the DIP Facility pursuant to and in accordance with, among other terms, those terms set out below:

1. **BORROWER:** Tacora Resources Inc. (“**Borrower**”).
2. **DIP LENDER:** (i) Cargill and (ii) subject to consent of the Borrower and the Monitor (including to the terms and conditions of any such participation), such other Persons (including any holder of the Company’s existing indebtedness or Equity Securities) that wish to participate in the DIP Facility on the terms set out in this Term Sheet (collectively, the “**DIP Lender**”). Unless the Borrower and the Monitor provided their consent in connection with the participation of another DIP Lender, Cargill shall be liable for all obligations of the DIP Lender hereunder.
3. **DEFINED TERMS:** Unless otherwise defined herein, capitalized words and phrases used in this Term Sheet have the meanings given thereto in Schedule “A”.
4. **DIP FACILITY ADVANCES:** A senior secured, superpriority, debtor-in-possession, interim, non-revolving credit facility (the “**DIP Facility**”) up to a maximum principal amount of \$75 million (as such amount may be reduced from time to time pursuant to the terms hereof, the “**Facility Amount**”), subject to the terms and conditions contained herein.

The DIP Facility shall be made available to the Borrower by way of:

- (a) an initial advance (the “**Initial Advance**”) in a principal amount of \$15,500,000; and
- (b) subsequent advances (each a “**Subsequent Advance**”) made every other week (or as otherwise agreed by the Borrower and DIP

Lender) with each Subsequent Advance amount being in an amount no less than \$1,000,000 and the principal amount of the aggregate Subsequent Advances being no more than \$59.5 million, such that the sum of the Initial Advance and the Subsequent Advances shall not exceed the Facility Amount. The timing for each Subsequent Advance shall be determined based on the funding needs of the Borrower as set forth in the DIP Budget.

The Initial Advance shall be deposited by the DIP Lender into the Operating Account within one (1) Business Day of the date on which the Initial Advance Conditions are satisfied and the Borrower delivers to the DIP Lender an Advance confirmation certificate in the form of Schedule “B” (an “**Advance Confirmation Certificate**”).

Each Subsequent Advance shall be deposited by the DIP Lender into the Operating Account within two (2) Business Days of the date on which the Borrower delivers to the DIP Lender an Advance Confirmation Certificate in respect of such Subsequent Advance, provided that the Subsequent Advance Conditions are satisfied as of the date on which such Advance Confirmation Certificate is delivered.

The Advance Confirmation Certificate shall certify that (i) all representations and warranties of the Borrower contained in this Term Sheet remain true and correct in all material respects both before and after giving effect to the use of such proceeds, (ii) all of the covenants of the Borrower contained in this Term Sheet and all other terms and conditions contained in this Term Sheet to be complied with by the Borrower, not properly waived in writing by the DIP Lender, have been fully complied with, and (iii) no Default or Event of Default then exists and is continuing or would result therefrom.

Each Advance Confirmation Certificate shall be deemed to be acceptable and shall be honoured by the DIP Lender unless the DIP Lender has provided to the Borrower and the Monitor an objection thereto in writing, providing reasons for the objection, by no later than 4:00 p.m. Eastern Time on the Business Day following the delivery of such Advance Confirmation Certificate. A copy of each Advance Confirmation Certificate shall be concurrently provided to DIP Lender and the Monitor.

5. **EXISTING**

ARRANGEMENTS:

In addition to the DIP Facility, unless an Event of Default then exists, Cargill shall cause CITPL to continue to make the deemed Margin Advances (as defined under the Advance Payments Facility Agreement) under section 2.2 of the Advance Payments Facility Agreement to fund any Margin Amounts (as defined therein) required to be funded from and after the Filing Date and all such Margin Advances shall be secured by the DIP Lender Charge (the “**Post-Filing Margin Advances**”).

In addition to the foregoing, unless an Event of Default then exists, Cargill shall cause CITPL to (a) continue to provide the Borrower with the services a full time operational consultant and two (2) part-time capital project consultants, in a manner consistent with past practice, to assist with the

business and operation of the Borrower (the “**Existing Services**”); and (b) provide other services (including consulting or advisory services or technical support) whether provided through third parties or by employees of Cargill that may be agreed by the Borrower and Cargill from time to time, with consent of the Monitor (the “**Additional Services**” and together with the Existing Services, collectively, the “**Services**”).

The Existing Services shall continue to be provided at no cost, consistent with past practice, and the cost of the Additional Services shall be mutually agreed by Cargill (or CITPL) and the Borrower, with the consent of the Monitor. The Borrower shall reimburse CITPL for the cost of the Services on the Maturity Date and all such amounts to be reimbursed shall be secured by and have the benefit of the DIP Lender Charge with the same priority as the DIP Obligations (the “**Ancillary Post-Filing Credit Extensions**” and together with the Post-Filing Margin Advances, collectively, the “**Post-Filing Credit Extensions**”).

Cargill also agrees, provided that no Event of Default has occurred, that it shall cause CITPL to:

- (a) Extend the term of the Onshore Agreement to the Maturity Date, provided that following an Event of Default, CITPL may discontinue performance of the Onshore Agreement with leave of the Court in accordance with section 24 hereof;
- (b) Continue to perform its obligations under the Offtake Agreement, provided that following an Event of Default, CITPL may discontinue such performance with leave of the Court in accordance with section 24 hereof; and
- (c) Continue to honour and perform in respect of any existing side letters entered into between the Borrower and Cargill in respect of hedges for the sale and purchase of iron ore under the Offtake Agreement notwithstanding the commencement of the CCAA Proceedings, provided that following an Event of Default, CITPL may discontinue such performance with leave of the Court in accordance with section 24 hereof.

Neither the granting of the DIP Lender Charge, nor any provision in this Term Sheet is intended to, nor shall it be construed in a manner that would, affect or amend any transfer of title to CITPL pursuant to and in accordance with the Existing Arrangements. For greater certainty, in no event shall Cargill be required to make or provide any Post-Filing Credit Extensions which are not secured by or do not have the benefit of the DIP Lender Charge with the same priority as the DIP Obligations.

6. **PURPOSE AND PERMITTED PAYMENTS:**

The Borrower shall use proceeds of the DIP Facility solely for the following purposes and in the following order, in each case in accordance with the DIP Budget:

- (a) to pay the reasonable and documented professional and advisory

fees and expenses (including legal fees and expenses) of (i) the Borrower and (ii) the Monitor (collectively, the “**Borrower Restructuring Expenses**”);

- (b) to pay the reasonable and documented DIP Lender Expenses;
- (c) to pay the interest, fees and other amounts owing to the DIP Lender under this Term Sheet; and
- (d) to fund, in accordance with the DIP Budget, the Borrower’s funding requirements during the CCAA Proceedings, including, without limitation, in respect of the pursuit of a Restructuring Transaction and the working capital and other general corporate funding requirements of the Borrower during such period.

For greater certainty, the Borrower may not use the proceeds of the DIP Facility to pay any category of obligations that are not included in the DIP Budget without the prior written consent of the DIP Lender and may not pay the professional or advisory fees or expenses of any other Person that are not provided for in the DIP Budget, except pursuant to the terms of a binding support agreement with such Person with respect to the Restructuring Transaction that is acceptable to the DIP Lender, or as may otherwise be agreed to by the DIP Lender and the Borrower (in consultation with the Monitor).

7. **INITIAL
ADVANCE
CONDITIONS:**

The DIP Lender’s agreement to make the Facility Amount available to the Borrower and to advance the Initial Advance to the Borrower is subject to the satisfaction of the following conditions precedent (collectively, the “**Initial Advance Conditions**”), each of which is for the benefit of the DIP Lender and may be waived by the DIP Lender in its sole discretion:

- (a) The Court shall have issued an initial order in respect of the Borrower (the “**Initial Order**”) in substantially the form attached hereto as Schedule “**D**” and with such changes as are acceptable to the Borrower, the Monitor and the DIP Lender, each acting reasonably. The Initial Order shall, without limitation, (i) approve this Term Sheet and authorize the DIP Facility, and the borrowing of the Initial Advance to be secured by the DIP Lender Charge, (ii) authorize and approve any Post-Filing Credit Extensions in an aggregate principal amount of up to \$20,000,000 to be secured by the DIP Lender Charge and (iii) grant the DIP Lender and CITPL (solely in respect of the Post-Filing Credit Extensions) a priority charge (the “**DIP Lender Charge**”) on the Borrower’s Collateral as security for the payment of (i) the Initial Advance and (ii) any Post-Filing Credit Extensions in an aggregate principal amount of up to \$20,000,000, which DIP Lender Charge shall have priority over all Liens on the Borrower’s Collateral other than (A) the Permitted Priority Liens and (B) Liens of any Person that did not receive notice of the application for the Initial Order, and such Initial Order shall not have been stayed, vacated or otherwise caused to be ineffective or amended, restated or modified (other

than in connection with the granting of the Amended Initial Order), without the written consent of the DIP Lender, acting reasonably.

- (b) No Default or Event of Default shall have occurred or will occur as a result of the requested Advance.
- (c) The Borrower shall have executed and delivered this Term Sheet.
- (d) The Borrower shall have delivered an Advance Confirmation Certificate in respect of such Advance.

8. **SUBSEQUENT
ADVANCE
CONDITIONS:**

The DIP Lender's agreement to advance a Subsequent Advance to the Borrower is subject to the satisfaction of the following conditions precedent (collectively, the "**Subsequent Advance Conditions**"), each of which is for the benefit of the DIP Lender and may be waived by the DIP Lender in its sole discretion:

- (a) At the comeback motion in respect of the Initial Order, the Court shall have issued an amended and restated Initial Order (the "**Amended Initial Order**") in substantially the form attached hereto as Schedule "**E**" and with such changes as are acceptable to the Borrower, the Monitor and the DIP Lender, each acting reasonably, including as necessary to (i) authorize the Borrower to borrow up to the Facility Amount, and (ii) provide that the DIP Lender Charge shall be increased to include the full Facility Amount together with any Post-Filing Credit Extensions, and shall have priority over all Liens in respect of the Borrower's Collateral other than the Permitted Priority Liens.
- (b) The Amended Initial Order shall not have been stayed, vacated or otherwise amended, restated or modified without the consent of the DIP Lender, acting reasonably.
- (c) There shall be no Liens ranking in priority to the DIP Lender Charge over the Borrower's Collateral other than the Permitted Priority Liens.
- (d) All Initial Advance Conditions shall continue to be satisfied.

9. **COSTS AND EXPENSES:**

The Borrower shall reimburse the DIP Lender for all reasonable and documented out-of-pocket legal and financial advisory fees and expenses incurred before or after the Filing Date (collectively, the “**DIP Lender Expenses**”) in connection with the DIP Facility, the DIP Credit Documents, and the DIP Lender’s participation in the CCAA Proceedings, provided that the legal fees and expenses of the DIP Lender incurred prior to the Filing Date in connection with the preparation of the DIP Facility and that form part of the DIP Lender Expenses, shall be capped at \$125,000 plus applicable taxes. The DIP Lender Expenses shall form part of the DIP Obligations secured by the DIP Lender Charge.

All accrued DIP Lender Expenses incurred prior to the Filing Date in connection with the DIP Facility and the preparation for and initiation of the CCAA Proceedings shall be paid in full through deduction from the Initial Advance.

10. **DIP LENDER CHARGE:**

All DIP Obligations shall be secured by the DIP Lender Charge, in connection with which the DIP Lender may, in its reasonable discretion, require the execution, filing or recording of any security agreements, pledge agreements, financing statements or other documents or instruments, in order to obtain, or further evidence, a Lien on such Collateral. For greater certainty, the execution, filing or recording of any security agreements, pledge agreements, financing statements or other documents or instruments shall not be (a) an Initial Advance Condition or (b) a Subsequent Advance Condition except and unless the DIP Lender has provided the Borrower with seven (7) Business Days’ notice that the execution, filing or recording of such security agreements, pledge agreements, financing statements or other documents or instruments is required.

11. **PERMITTED LIENS: AND PRIORITY:**

All Collateral will be free and clear of all Liens, except for the Permitted Liens.

12. **REPAYMENT:**

The DIP Facility and the DIP Obligations shall be due and repayable in full on the earlier of: (i) the occurrence of any Event of Default which is continuing and has not been cured; (ii) the completion of a Restructuring Transaction; (iii) the conversion of the CCAA Proceedings into a proceeding under the *Bankruptcy and Insolvency Act* (Canada); (iv) the date on which the DIP Obligations are voluntarily prepaid in full and the DIP Facility is terminated and (v) the Outside Date (the earliest of such dates being the “**Maturity Date**”). The Maturity Date may be extended from time to time at the request of the Borrower (in consultation with the Monitor) and with the prior written consent of the DIP Lender for such period and on such terms and conditions as the DIP Lender may agree in its sole discretion.

Without the consent of the DIP Lender, acting in its sole discretion, no Court Order sanctioning a Plan shall discharge or otherwise affect in any way the DIP Obligations, other than after the permanent and indefeasible payment in cash to the DIP Lender of all DIP Obligations on or before the

date such Plan is implemented.

13. **DIP BUDGET AND VARIANCE REPORTING:**

Attached hereto as Schedule “C” is a copy of the agreed summary DIP Budget (excluding the supporting documentation provided to the DIP Lender in connection therewith) as in effect on the date hereof (the “**Initial DIP Budget**”), which the DIP Lender acknowledges and agrees has been reviewed and approved by it, and is in form and substance satisfactory to the DIP Lender. Such DIP Budget shall be the DIP Budget referenced in this Term Sheet unless and until such time as a revised DIP Budget has been approved by the DIP Lender in accordance with this Section 13.

The Borrower may update and propose a revised DIP Budget to the DIP Lender no more frequently than every two (2) weeks (unless otherwise consented to by the DIP Lender), in each case to be delivered to the Monitor and the DIP Lender and its legal counsel by no earlier than the Friday of the second week following the date of the delivery of the prior DIP Budget. Such proposed revised DIP Budget shall have been reviewed and approved by the Monitor. If the DIP Lender determines that the proposed revised DIP Budget is not acceptable, it shall, within three (3) Business Days of receipt thereof, provide written notice to the Borrower and the Monitor stating that the proposed revised DIP Budget is not acceptable and setting out the reasons why such revised DIP Budget is not acceptable, and until the Borrower has delivered a revised DIP Budget acceptable to the DIP Lender, the prior DIP Budget shall remain in effect. In the event that the DIP Lender does not deliver to the Borrower written notice within three (3) Business Days after receipt by the DIP Lender of a proposed revised DIP Budget that such proposed revised DIP Budget is not acceptable to it, such proposed revised DIP Budget shall automatically and without further action be deemed to have been accepted by the DIP Lender and become the DIP Budget for the purposes hereof.

At any time, the latest DIP Budget accepted by the DIP Lender shall be the DIP Budget for the purpose of this Term Sheet.

On the last Business Day of every second week, the Borrower shall deliver to the Monitor and the DIP Lender and its legal counsel a variance calculation (the “**Variance Report**”) setting forth actual disbursements for the preceding two weeks ending on the preceding Friday (each a “**Testing Period**”) and on a cumulative basis as against the then-current DIP Budget, and setting forth all the variances, on a line-item and aggregate basis in comparison to the amounts set forth in respect thereof for such Testing Period in the DIP Budget; each such Variance Report is to be promptly discussed with the DIP Lender and its legal and financial advisors. Each Variance Report shall include reasonably detailed explanations for any material variances during the relevant Testing Period.

14. **EVIDENCE OF INDEBTEDNESS:**

The DIP Lender’s accounts and records constitute, in the absence of manifest error, *prima facie* evidence of the indebtedness of the Borrower to the DIP Lender pursuant to the DIP Facility and the Post-Filing Credit Extensions.

15. **PREPAYMENTS:** Provided the Monitor consents, the Borrower may prepay any DIP Obligations at any time prior to the Maturity Date without premium or penalty. Any amount repaid may not be reborrowed without the prior written consent of the DIP Lender, which may be withheld in its sole discretion.

The Borrower may, at any time, negotiate and enter into another interim financing facility that provides for the prepayment of the DIP Obligations and all Post-Filing Credit Extensions in full, and the concurrent (i) termination of the DIP Facility and this Term Sheet, including all obligations of the DIP Lender or Cargill to make further Post-Filing Margin Advances or other Post-Filing Credit Extensions and (ii) termination of the Onshore Agreement.

16. **INTEREST RATE:** Interest shall be payable on (a) the principal amount of Advances and (b) overdue interest, fees (including the Exit Fee) and DIP Lender Expenses outstanding from time to time at a rate equal to 10.0% *per annum*, payable monthly in arrears in cash on the last Business Day of each month.

All interest shall be computed daily on the basis of a calendar year of 365 or 366 days, as applicable, and, if not paid when due, shall compound monthly. Whenever any interest is calculated on the basis of a period of time other than a calendar year, the annual rate of interest to which each rate of interest determined pursuant to such calculation is equivalent for the purposes of the *Interest Act* (Canada) is such rate as so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days used in the basis for such determination.

17. **EXIT FEE:** Upon the earlier of (a) completion of a successful Restructuring Transaction and (b) the indefeasible repayment in full of the DIP Facility and all other DIP Obligations and/or cancellation of all remaining commitments in respect thereof, the Borrower shall pay an exit fee, in cash, in an amount equal to 3.00% of the aggregate committed amount of the DIP Facility, being equal to \$2,250,000 (the “**Exit Fee**”), provided that the Exit Fee shall only be payable if the DIP Facility is approved pursuant to the Amended Initial Order.

18. **CURRENCY** Unless otherwise stated, all monetary denominations shall be in lawful currency of the United States and all payments made by the Borrower under this Term Sheet shall be in United States dollars. If any payment is received by the DIP Lender hereunder in a currency other than United States dollars, or, if for the purposes of obtaining judgment in any court it is necessary to convert a sum due hereunder in any currency (the “**Original Currency**”) into another currency (the “**Other Currency**”), the parties hereby agree, to the fullest extent permitted by Applicable Law, that the rate of exchange used shall be the rate at which the DIP Lender is able to purchase the Other Currency with the Original Currency after any costs of exchange on the Business Day preceding that on which such payment is made or final judgment is given.

19. **MANDATORY
REPAYMENTS:**

Unless otherwise consented to in writing by the DIP Lender, the net cash proceeds of any sale, realization or disposition of, or with respect to, any of the Collateral (including obsolete, excess or worn-out Collateral) out of the ordinary course of business, or any insurance proceeds paid to the Borrower in respect of such Collateral, shall be paid to the DIP Lender and applied to reduce the DIP Obligations and permanently reduce and cancel an equivalent portion of the Facility Amount in an amount equal to the net cash proceeds of such sale, realization, disposition or insurance (for greater certainty, net of transaction fees and applicable taxes in respect thereof). Any amount repaid may not be reborrowed.

20. **REPS AND
WARRANTIES:**

The Borrower represents and warrants to the DIP Lender, upon which the DIP Lender is relying in entering into this Term Sheet and the other DIP Credit Documents, that:

- (a) The Borrower has been duly formed and is validly existing under the law of its jurisdiction of incorporation;
- (b) The transactions contemplated by this Term Sheet and the other DIP Credit Documents, upon the granting of the Initial Order:
 - (i) are within the powers of the Borrower;
 - (ii) have been duly executed and delivered by or on behalf of the Borrower;
 - (iii) constitute legal, valid and binding obligations of the Borrower, enforceable against the Borrower in accordance with their terms;
 - (iv) do not require any material authorization from, the consent or approval of, registration or filing with, or any other action by, any governmental authority or any third party; and
 - (v) will not violate the charter documents, articles by-laws or other constating documents of the Borrower or any Applicable Law relating to the Borrower.
- (c) The Borrower owns its assets with good and marketable title thereto, subject only to Permitted Liens;
- (d) The business operations of the Borrower have been and will continue to be conducted in material compliance with all laws of each jurisdiction in which the business has been or is carried out;
- (e) The Borrower has obtained all material licences and permits required for the operation of its business, which licences and permits remain in full force and effect and no proceedings have been commenced or threatened to revoke or amend any of such licences or permits;

- (f) The Borrower maintains adequate insurance coverage, as is customary with companies in the same or similar business (except with respect to directors' and officers' insurance in respect of which no representation is made regarding adequacy of coverage) of such type, in such amounts and against such risks as is prudent for a business of its nature with financially sound and reputable insurers and that contain reasonable coverage and scope;
- (g) The Borrower has maintained and paid current its obligations for payroll, source deductions, harmonized, goods and services and retail sales tax, and is not in arrears of its statutory obligations to pay or remit any amount in respect of these obligations;
- (h) Other than as stayed pursuant to the Initial Order or the Amended Initial Order (once granted), there is not now pending or, to the knowledge of any of the senior officers of the Borrower, threatened against the Borrower, nor has the Borrower received notice in respect of, any material claim, potential claim, litigation, action, suit, arbitration or other proceeding by or before any court, tribunal, governmental entity or regulatory body;
- (i) Except for those defaults set out on Schedule 20(i) hereto which are stayed by the Initial Order or the Amended Initial Order, all Material Contracts are in full force and effect and are valid, binding and enforceable in accordance with their terms and the Borrower does not have any knowledge of any default that has occurred and is continuing thereunder (other than those defaults arising as a result of or relating to the insolvency of the Borrower or any of its affiliates or the commencement of the CCAA Proceedings);
- (j) Except as disclosed to the DIP Lender in writing by the Borrower, there are no agreements of any kind between the Borrower and any other third party or any holder of debt or Equity Securities of the Borrower with respect to any Restructuring Transaction, which remain in force and effect as of the Filing Date;
- (k) No Default or Event of Default has occurred and is continuing;
- (l) All written information furnished by or on behalf of the Borrower to the DIP Lender or its advisors for the purposes of, or in connection with, this Term Sheet, the other DIP Credit Documents, the Existing Arrangements, or any other relevant document or any other transaction contemplated thereby, is true and accurate in all material respects on the date as of which such information is dated or certified, and not incomplete by omitting to state any material fact necessary to make such information not misleading at such time in light of then-current circumstances; and
- (m) The report of the Borrower to the DIP Lender on the status of its sale and investment solicitation process to date is accurate and complete, and the Borrower has disclosed all material information

in respect of such process to the DIP Lender.

21. **AFFIRMATIVE COVENANTS:**

The Borrower agrees to do, or cause to be done, the following until the DIP Obligations are permanently and indefeasibly repaid in full:

- (a) (i) Allow representatives or advisors of the DIP Lender reasonable access to the books, records, financial information and electronic data rooms of or maintained by the Borrower, and (ii) cause management, the financial advisor and/or legal counsel of the Borrower to cooperate with reasonable requests for information by the DIP Lender and its legal and financial advisors in connection with matters reasonably related to the DIP Facility, the CCAA Proceedings, or compliance of the Borrower with its obligations pursuant to this Term Sheet, in each case subject to applicable privacy laws, solicitor-client privilege, and any disclosure restrictions contained in any Court Order or that, in the opinion of the Borrower (in consultation with the Monitor), each acting reasonably, are necessary to protect the Borrower's restructuring process;
- (b) Keep the DIP Lender apprised on a timely basis of all material developments with respect to the business and affairs of the Borrower and the CCAA Proceedings, including all matters relating to its pursuit of a Restructuring Transaction, in each case subject to any disclosure restrictions contained in any Court Order or that, in the opinion of the Borrower (in consultation with the Monitor), each acting reasonably, are necessary to protect the Borrower's restructuring process;
- (c) Deliver to the DIP Lender the reporting and other information from time to time reasonably requested by the DIP Lender and as set out in this Term Sheet including, without limitation, the Variance Reports at the times set out herein;
- (d) Use the proceeds of the DIP Facility only in accordance with the restrictions set out in this Term Sheet and pursuant to the DIP Budget and Court Orders, subject to Permitted Variances;
- (e) Obtain the Amended Initial Order by October 20, 2023, in each case substantially in the form attached hereto and with such changes as are acceptable to the Borrower, the Monitor and the DIP Lender, each acting reasonably;
- (f) Comply with the provisions of the Initial Order, the Amended Initial Order, and all other Court Orders;
- (g) Preserve, renew and keep in full force its corporate existence;
- (h) Promptly notify the DIP Lender of the occurrence of any Default or Event of Default;

- (i) Comply with Applicable Law in all material respects, except to the extent not required to do so pursuant to any Court Order;
- (j) Provide the DIP Lender and its counsel draft copies of and the opportunity to comment on all motions, applications, proposed Court Orders and other materials or documents that the Borrower intends to file in the CCAA Proceedings at least two (2) Business Days prior to any such filing or, where it is not practically possible to do so within such time, as soon as possible prior to the date on which such motion, application, proposed Court Order or other materials or document is served on the service list in respect of the CCAA Proceeding;
- (k) Take all commercially reasonable actions necessary or available to defend the Court Orders from any appeal, reversal, modifications, amendment, stay or vacating not expressly consented to in writing in advance by the DIP Lender relating to the DIP Facility or the DIP Lender Charge;
- (l) Promptly provide notice to the DIP Lender and its counsel, and keep them otherwise apprised, of any material developments in respect of any Material Contract, subject to any disclosure restrictions contained in any Court Order or that, in the opinion of the Borrower (in consultation with the Monitor), each acting reasonably, are necessary to protect the Borrower's restructuring process;
- (m) Promptly provide notice to the DIP Lender and its counsel, and keep them otherwise apprised, of any material notices, orders, decisions, letters, or other documents, materials, information or correspondence received from any regulatory authority having jurisdiction over the Borrower;
- (n) Provide the DIP Lender and its advisors from time to time, on a confidential basis, with such information regarding the progress of the Borrower's pursuit of a Restructuring Transaction as may be reasonably requested by the DIP Lender, subject to any disclosure restrictions contained in any Court Order, or that, in the opinion of the Borrower (in consultation with the Monitor), each acting reasonably, are necessary to protect the Borrower's restructuring process;
- (o) Execute and deliver such loan and security documentation as may be reasonably requested by the DIP Lender from time to time;
- (p) At all times maintain adequate insurance coverage of such kind and in such amounts and against such risks as is customary for the business of the Borrower with financially sound and reputable insurers in coverage and scope acceptable to the DIP Lender, acting reasonably, and, if requested by the DIP Lender, cause the DIP Lender to be listed as the loss payee or additional insured (as

applicable) on such insurance policies. The DIP Budget shall permit funding sufficient to pay the premiums in respect of such insurance, including director and officer tail insurance at the discretion of and on terms acceptable to the Borrower;

- (q) Promptly following receipt of summary invoices, pay all DIP Lender Expenses no less frequently than every two weeks, provided that the DIP Lender shall provide reasonable estimates of such expenses for purposes of the DIP Budget;
- (r) Comply with the terms, and keep in full force and effect, each of (i) the Offtake Agreement, (ii) the Onshore Agreement and (iii) the Wetcon PSA (other than any notice delivered under Section 4.4 thereof unless delivered following an Event of Default and with leave of the Court in accordance with Section 24 hereof);
- (s) Promptly upon becoming aware thereof, provide details of any pending, or threatened claims, potential claims, litigation, actions, suits, arbitrations, other proceedings or notices received in respect of same, against the Borrower by or before any court, tribunal, Governmental Authority or regulatory body, which would be reasonably likely to result, individually or in the aggregate, in a judgment in excess of \$100,000;
- (t) Comply with the DIP Budget subject to the Permitted Variance; and
- (u) Act diligently and in good faith in the pursuit of the CCAA Proceedings.

**22. NEGATIVE
COVENANTS:**

The Borrower covenants and agrees not to do, or cause not to be done, the following, until the DIP Obligations are permanently and indefeasibly repaid in full, other than with the prior written consent of the DIP Lender or with the express consent required as outlined below:

- (a) Transfer, lease or otherwise dispose of all or any material part of its property, assets or undertaking outside of the ordinary course of business, except for the disposition of obsolete, redundant or ancillary assets in accordance with the Amended Initial Order or another Court Order;
- (b) Make any payment, including, without limitation, any payment of principal, interest or fees, in respect of any obligation of the Borrower arising or relating to the period prior to the Filing Date, other than in accordance with the Court Orders and the DIP Budget;
- (c) Create or permit to exist any indebtedness other than (i) the indebtedness existing as of the Filing Date, (ii) the DIP Obligations, and (iii) any obligation expressly permitted to be incurred pursuant to any Court Order and (iv) post-filing trade payables or other unsecured obligations incurred in the ordinary course of business on or following the Filing Date in accordance with the DIP Budget

and the Initial Order or the Amended Initial Order;

- (d) Make (i) any distribution, dividend, return of capital or other distribution in respect of Equity Securities (in cash, securities or other property or otherwise); or (ii) a retirement, redemption, purchase or repayment or other acquisition of Equity Securities or indebtedness (including any payment of principal, interest, fees or any other payments thereon);
- (e) Issue any Equity Securities nor create any new class of Equity Securities or amend any terms of its existing Equity Securities, other than in connection with a Restructuring Transaction approved pursuant to a Court Order;
- (f) Consent to or take any steps in furtherance of the exercise of any conversion right under any Equity Securities issued by it;
- (g) Except as authorized by a Court Order, increase compensation or severance entitlements or other benefits payable to directors, senior officers or senior management, or pay any bonuses whatsoever, other than in accordance with the DIP Budget;
- (h) Make any investments or acquisitions of any kind, direct or indirect, in any business or otherwise other than in accordance with the DIP Budget;
- (i) Create or permit to exist any Liens on any of its properties or assets other than the Permitted Liens;
- (j) Make any payments (including payments to affiliates) or expenditures (including capital expenditures), other than in accordance with the DIP Budget, subject to the Permitted Variance and provided that the Borrower shall in no event pay any professional or advisory fees (including any legal fees or expenses) of any other Person (other than the Borrower, the DIP Lender and the Monitor) that are not provided for in the DIP Budget, except pursuant to the terms of a binding support agreement with such Person with respect to the Restructuring Transaction that is acceptable to the DIP Lender, or as may otherwise be agreed to by the DIP Lender and the Borrower (in consultation with the Monitor);
- (k) [reserved]
- (l) Amalgamate, consolidate with or merge into or sell all or substantially all of its assets to another entity, or change its corporate or capital structure (including its organizational documents) except as may be approved by Court Order or undertaken pursuant to a Court-approved Restructuring Transaction;

- (m) Make any changes to composition (including addition, removal or replacement of directors) of the board of directors of the Borrower (other than a resignation by a director), other than pursuant to a Court Order;
- (n) Seek, obtain, support, make or permit to be made any Court Order or any change, amendment or modification to any Court Order that would materially affect the rights or protections of the DIP Lender under or in connection with the DIP Facility or the DIP Lender Charge, except with the prior written consent of the DIP Lender, in its sole discretion;
- (o) Enter into any settlement agreement or agree to any settlement arrangements with any Governmental Authority or regulatory authority or in connection with any litigation, arbitration, other investigations, proceedings or disputes or other similar proceedings which are threatened or pending against it;
- (p) Without the approval of the Court, cease to carry on its business or activities or any material component thereof as currently being conducted or modify or alter in any material manner the nature and type of its operations or business;
- (q) Seek, or consent to the appointment of, a receiver or trustee in bankruptcy or any similar official in any jurisdiction; or
- (r) Seek or consent to the lifting of the stay of proceedings in the Initial Order or Amended Initial Order, as applicable, in favour of the Borrower.

23. **EVENTS OF DEFAULT:**

The occurrence of any one or more of the following events shall constitute an event of default (each an “**Event of Default**”) under this Term Sheet:

- (a) Failure of the Borrower to pay: (i) principal, interest or other amounts when due pursuant to this Term Sheet or any other DIP Credit Documents; or (ii) the DIP Lender Expenses within ten (10) Business Days of being invoiced therefor, and such failure, in the case of items (i) and (ii) remains unremedied for more than three (3) Business Days;
- (b) Failure of the Borrower to perform or comply with any term, condition, covenant or obligation pursuant to this Term Sheet, and such failure remains unremedied for more than three (3) Business Days, *provided that*, where another provision in this Section 23 expressly provides for a shorter or no cure period in respect of a particular Event of Default, such other provision shall apply;
- (c) Any representation or warranty by the Borrower made or deemed to be made in this Term Sheet or any other DIP Credit Document is or

proves to be incorrect or misleading in any material respect as of the date made;

- (d) The termination, suspension or disclaimer of the Existing Arrangements, or the taking of any steps to terminate, suspend or disclaim (if permitted under the CCAA) any of the Existing Arrangements (which, for greater certainty, shall not include (i) the commencement and prosecution of the SISF, including the solicitation of an Alternative Offtake or Service Agreement, or (ii) taking any step or related action pursuant to a binding agreement entered into in respect of a Restructuring Transaction at or after the Bid Deadline, including executing such agreement, seeking court approval of such binding agreement or taking any steps in connection with consummating the Restructuring Transaction pursuant to such binding agreement) in each case at or after the Bid Deadline, without prejudice to any rights that CITPL may have pursuant to section 32 (including subsection 32(9)(c)) of the CCAA or otherwise;
- (e) A default (other than a default resulting from the insolvency of the Borrower or the commencement of the CCAA Proceedings by the Borrower including, for greater certainty, as result of failure to pay pre-filing amounts as result of the commencement of the CCAA Proceedings) under any Material Contract (other than failure to comply with any notice delivered under Section 4.4 of the Wetcon PSA unless delivered following an Event of Default and with leave of the Court in accordance with Section 24 hereof) or any material amendment of any Material Contract unless agreed to by the DIP Lender in writing;
- (f) Issuance of any Court Order (i) dismissing the CCAA Proceedings or lifting the stay of proceedings therein to permit the enforcement of any security against the Borrower or their Collateral, the appointment of a receiver, interim receiver or similar official, an assignment in bankruptcy, or the making of a bankruptcy order or receiving order against or in respect of the Borrower, in each case which order is not stayed pending appeal thereof; (ii) granting any other Lien in respect of the Borrower's Collateral that is in priority to or *pari passu* with the DIP Lender Charge other than a Permitted Priority Lien, (iii) modifying this Term Sheet or any other DIP Credit Document without the prior written consent of the DIP Lender in its sole discretion; or (iv) staying, reversing, vacating or otherwise modifying any Court Order in respect of the DIP Facility or the DIP Lender Charge without the prior written consent of the DIP Lender in its sole discretion;
- (g) Unless consented to in writing by the DIP Lender, the expiry without further extension of the stay of proceedings provided for in the Initial Order or the Amended Initial Order;

- (h) (i) a Variance Report is not delivered within two (2) Business Days of the day on which such Variance Report is required to be delivered pursuant to this Term Sheet, or (ii) there shall exist a cumulative negative variance in excess of the Permitted Variance for the period from the Filing Date to the last day of such Testing Period, measured relative to the Initial DIP Budget or such revised DIP Budget as has been approved by the DIP Lender in accordance with Section 13;
- (i) The denial or repudiation by the Borrower of the legality, validity, binding nature or enforceability of this Term Sheet or any other DIP Credit Documents or the DIP Obligations; or
- (j) Except as stayed by order of the Court or any other court with jurisdiction over the matter, the entry of one or more final judgements, writs of execution, garnishment or attachment representing a claim in excess of \$500,000 in the aggregate, against the Borrower or its Collateral that is not released, bonded, satisfied, discharged, vacated, stayed or accepted for payment by an insurer within 30 days after their entry, commencement or levy.

24. **REMEDIES:**

Upon the occurrence of an Event of Default, and subject to the Court Orders, the DIP Lender may, in its sole discretion, elect to terminate the commitments hereunder and declare the DIP Obligations to be immediately due and payable and refuse to permit further Advances. In addition, upon the occurrence of an Event of Default, the DIP Lender may, with leave of the Court on four (4) Business Days' notice to the Borrower and the Monitor, and in accordance with the Court Orders:

- (a) apply to the Court for the appointment of a receiver, interim receiver or receiver and manager over the Borrower or all or certain of its Collateral, or for the appointment of a trustee in bankruptcy in respect of the Borrower;
- (b) set-off or combine any amounts then owing by the DIP Lender to the Borrower against the DIP Obligations and the Post-Filing Credit Extensions; and
- (c) exercise against the Borrower the powers and rights of a secured party pursuant to the *Personal Property Security Act* (Ontario).

25. **INDEMNITY AND RELEASE:**

The Borrower agrees to indemnify and hold harmless the DIP Lender and its affiliates and their respective directors, officers, employees, agents, counsel and advisors (all such persons and entities being referred to hereafter as "**Indemnified Persons**") from and against any and all actions, suits, proceedings, claims, losses, damages, liabilities or expenses of any kind or nature whatsoever (excluding indirect or consequential damages and claims for lost profits) which may be incurred by or asserted against any Indemnified Person (collectively, "**Claims**") as a result of or arising out of or in any way related to the DIP Facility or this Term Sheet or the Existing Arrangements and, upon demand, to pay and reimburse any Indemnified

Person for any reasonable legal or other out-of-pocket expenses incurred in connection with investigating, defending or preparing to defend any such action, suit, proceeding or claim; provided, however, the Borrower shall not be obligated to indemnify pursuant to this paragraph any Indemnified Person against any loss, claim, damage, expense or liability (x) to the extent it resulted from the gross negligence, wilful misconduct or bad faith of any Indemnified Person as finally determined by a court of competent jurisdiction, or (y) to the extent arising from any dispute solely among Indemnified Persons other than any Claims arising out of any act or omission on the part of the Borrower. The Borrower shall not be responsible or liable to any Indemnified Person or any other person for consequential or punitive damages.

Notwithstanding anything to the contrary herein, the indemnities granted under this Term Sheet shall survive any termination of the DIP Facility.

26. **TERMINATION BY BORROWER:** The Borrower shall be entitled to terminate this Term Sheet upon notice to the DIP Lender: (i) in the event that the DIP Lender has failed to fund the Facility Amount when required to do so under this Term Sheet, or (ii) at any time following the indefeasible payment in full in immediately available funds of all of the outstanding DIP Obligations. Effective immediately upon such termination, all obligations of the Borrower and the DIP Lender under this Term Sheet shall cease, except for those obligations that explicitly survive termination, provided that nothing in this Section 27 shall relieve the Borrower from its obligations under the Existing Arrangements. For greater certainty, all outstanding DIP Obligations in respect of all Advances and all obligations under the Existing Arrangements funded prior to such termination shall become immediately due and payable concurrently with such termination and the DIP Lender shall not be required to make any further extensions of credit under this Term Sheet or the Existing Arrangements.
27. **HEDGING:** The parties agree that upon entry into this Term Sheet, the Borrower shall be authorized to enter into one or more hedging arrangements from time to time, as may be mutually agreed by the Borrower and Cargill (or any of its affiliates), and approved by the Monitor.
28. **TAXES:** All payments by the Borrower to the DIP Lender pursuant to this Term Sheet or otherwise on account of the DIP Obligations, including any payments required to be made from and after the exercise of any remedies available to the DIP Lender upon an Event of Default, shall be made free and clear of, and without reduction for or on account of, any present or future taxes, levies, imposts, duties, charges, fees, deductions or withholdings of any kind or nature whatsoever or any interest or penalties payable with respect thereto now or in the future imposed, levied, collected, withheld or assessed by any country or any political subdivision of any country (collectively "**Taxes**"); provided, however, that if any Taxes are required by Applicable Law to be withheld ("**Withholding Taxes**") from any amount payable to the DIP Lender under this Term Sheet or otherwise on account of the DIP Obligations, the amount so payable to the DIP Lender shall be increased to the extent necessary to yield to the DIP Lender

on a net basis after payment of all Withholding Taxes, the amount payable under this Term Sheet at the rate or in the amount specified herein and the Borrower shall provide evidence satisfactory to the DIP Lender that the Withholding Taxes have been so withheld and remitted.

If the Borrower pays an additional amount to the DIP Lender to account for any Withholding Taxes, the DIP Lender shall reasonably cooperate with the Borrower to obtain a refund of the amounts so withheld, including filing income tax returns in applicable jurisdictions, claiming a refund of such Withholding Tax and providing evidence of entitlement to the benefits of any applicable tax treaty. The amount of any refund so received, and interest paid by the tax authority with respect to any refund, shall be paid over by the DIP Lender to the Borrower promptly. If reasonably requested by the Borrower, the DIP Lender shall apply to the relevant taxing authority to obtain a waiver from such withholding requirement, and the DIP Lender shall cooperate with the Borrower and assist the Borrower to minimize the amount of Withholding Tax required, in each case at the Borrower's expense.

29. **STRATEGIC
PROCESS:**

The Borrower and the DIP Lender agree that the Borrower (in consultation with the Monitor) shall pursue a sales and investment solicitation process (the “SISP”) approved pursuant to a Court Order in respect of (a) potential Restructuring Transactions that may be available to the Borrower; and (b) offtake, service or other agreements in respect of the business of the Borrower (“**Alternative Offtake and Service Agreements**”) that may be available to the Borrower, and the SISP shall include the following milestones:

- (a) The deadline for the receipt of non-binding letters of intent: (i) for potential Restructuring Transactions; and/or (ii) any Alternative Offtake and Service Agreements, will be no later than December 1, 2023;
- (b) The final deadline for the receipt of binding bids: (i) for potential Restructuring Transactions; and/or (ii) any Alternative Offtake and Service Agreements, will be no later than January 19, 2024 (the “**Bid Deadline**”); and
- (c) Closing of transaction(s) will be no later than February 29, 2024,

provided that, the Borrower may extend each of the foregoing dates in accordance with the Court Order approving the SISP.

The DIP Lender (and/or its affiliates) shall be permitted to participate as a bidder in connection with any SISP in respect of potential Restructuring Transactions or Alternative Offtake and Service Agreements, and (ii) credit bid all or certain of the DIP Obligations and/or other obligations owing by the Borrower in connection with any Restructuring Transaction agreed to by the Borrower (in consultation with the Monitor) and the DIP Lender, in each case subject to any Court Order and such reasonable terms and conditions as may be required in the opinion of the Borrower (in

consultation with the Monitor), each acting reasonably, to protect the Borrower's restructuring process. The SISP shall be without prejudice to any rights that Cargill may have in respect of the Existing Arrangements, including pursuant to Section 32 (including subsection 32(9)(c)) of the CCAA, and all such rights are fully reserved.

30. ASSIGNMENT:

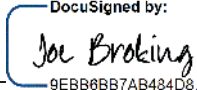
The DIP Lender may assign its rights and obligations under the DIP Facility and the DIP Credit Documents, in whole or in part, to any Person acceptable to the DIP Lender with the prior written consent of (i) prior to an Event of Default, the Borrower, such consent not to be unreasonably withheld (it being understood that refusal by the Borrower to provide such consent if CITPL has not confirmed agreements related to the Existing Arrangements set out herein will continue following such assignment, shall not be deemed to be unreasonable); and (ii) the Monitor based solely on the Monitor being satisfied, in its reasonable discretion, that (A) the proposed assignee has the financial capacity to act as the DIP Lender and (B) the proposed assignment will not have an adverse impact on the SISP. Notwithstanding the foregoing, the DIP Lender shall be entitled to assign its rights and obligations hereunder to an affiliate without the consent of any other party.

Neither this Term Sheet nor any right and obligation hereunder or in respect of the DIP Facility may be assigned by the Borrower.

[signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Term Sheet to be executed by their duly authorized representatives as of the date first written above.

TACORA RESOURCES INC., as Borrower

Per: _____
Name:  _____
Title: CEO

CARGILL, INCORPORATED, as DIP Lender

Per:



Name: Mark Conlon

Title: Financial Services & Metals
US Representative

Acknowledged and agreed solely in respect of the Existing Arrangements:

**CARGILL INTERNATIONAL TRADING
PTE LTD.**

Per: Philip Mulvihill

Name:

Title:

SCHEDULE “A” DEFINED TERMS

“**Additional Services**” has the meaning given thereto in Section 5.

“**Administration Charge**” means a Court-ordered priority charge over the Borrower’s Collateral granted by the Court in an aggregate amount not to exceed \$1,000,000 to secure the fees and expenses of (i) the Borrower and its legal counsel, (ii) the Monitor and its legal counsel and (iii) the monthly fee of Greenhill & Co. Canada Ltd.

“**Advance**” means an amount of the DIP Facility advanced to the Borrower pursuant to the terms hereof from time to time, and for greater certainty includes the Initial Advance and each Subsequent Advance.

“**Advance Confirmation Certificate**” has the meaning given thereto in Section 4.

“**Advance Payments Facility Agreement**” means the Amended and Restated Advance Payments Facility Agreement dated as of May 29, 2023, among the Borrower and CITPL, as amended from time to time, including, without limitation, pursuant to the Amendment No. 1 to the Amended and Restated Advance Payments Facility Agreement dated as of June 23, 2023, among the Borrower and CITPL.

“**Alternative Offtake and Service Agreements**” has the meaning given thereto in Section 28.

“**Amended Initial Order**” has the meaning given thereto in Section 8.

“**Ancillary Post-Filing Credit Extensions**” has the meaning given thereto in Section 5

“**Applicable Law**” means, in respect of any Person, property, transaction or event, all applicable laws, statutes, rules, by-laws and regulations and all applicable official directives, orders, judgments and decrees of any Governmental Body having the force of law.

“**Bid Deadline**” has the meaning given thereto in Section 29.

“**Borrower**” has the meaning given thereto in Section 1.

“**Borrower Restructuring Expenses**” has the meaning given thereto in Section 6.

“**Business Day**” means each day other than a Saturday or Sunday or a statutory or civic holiday that banks are open for business in Canada, the United States of America and Singapore

“**Cargill**” has the meaning given thereto in the preamble.

“**CCAA**” has the meaning given thereto in the preamble.

“**CCAA Proceedings**” has the meaning given thereto in the preamble.

“**CITPL**” means Cargill International Trading PTE Ltd., and its successors and assigns.

“**Claims**” has the meaning given thereto in Section 25.

“**Collateral**” means, in respect of a Person, all current or future assets, businesses, undertakings and properties of such Person, including all proceeds thereof.

“**Court**” has the meaning given thereto in the Recitals.

“**Court Order**” means any order of the Court in the CCAA Proceedings.

“**Default**” means an event or circumstance which, after the giving of notice or the passage of time, or both, will result in an Event of Default.

“**DIP Budget**” means the weekly financial projections prepared by the Borrower covering the period to and including February 25, 2024, on a weekly basis, which shall be in form and substance acceptable to the DIP Lender, acting reasonably (as to scope, detail and content), which financial projections may be amended from time to time in accordance with Section 13. For greater certainty, for purposes of this Term Sheet, the DIP Budget shall include all supporting documentation provided in respect thereof to the DIP Lender.

“**DIP Credit Documents**” means this Term Sheet and all other loan and security documents executed by the Borrower in connection with this Term Sheet from time to time.

“**DIP Facility**” has the meaning given thereto in Section 4.

“**DIP Obligations**” means (i) all Advances made under the DIP Facility, (ii) all other principal, interest, fees (including the Exit Fee) due hereunder and (iii) DIP Lender Expenses, in each case to the extent incurred or arising after the Filing Date.

“**DIP Lender Expenses**” has the meaning given thereto in Section 9.

“**DIP Lender**” has the meaning given thereto in Section 2.

“**DIP Lender Charge**” has the meaning given thereto in Section 7(a).

“**Directors’ Charge**” means a Court-ordered priority charge over the Borrower’s Collateral granted by the Court in an aggregate amount not to exceed \$5,300,000 in favour of the directors and officers of the Borrower and their affiliates.

“**Equity Securities**” means, with respect to any Person, any and all shares, interests, participations, rights in, or other equivalents (however designated and whether voting and nonvoting) of, such Person’s capital, whether outstanding on the date hereof or issued after the date hereof, including any interest in a partnership, limited partnership or other similar Person and any beneficial interest in a trust, and any and all rights, warrants, debt securities, options or other rights exchangeable for or convertible into any of the foregoing.

“**Event of Default**” has the meaning given thereto in Section 23.

“**Existing Arrangements**” has the meaning given thereto in the preamble.

“**Existing Services**” has the meaning given thereto in Section 5.

“**Exit Fee**” has the meaning given thereto in Section 17.

“**Facility Amount**” has the meaning given thereto in Section 4.

“**Filing Date**” means the date on which the Initial Order is granted by the Court in the CCAA Proceedings.

“**Governmental Authority**” means any federal, provincial, state, municipal, local or other government, governmental or public department, commission, board, bureau, agency or instrumentality, domestic or foreign and any subdivision, agent, commission, board or authority of any of the foregoing.

“**Indemnified Persons**” has the meaning given thereto in Section 25.

“**Initial Advance**” has the meaning given thereto in Section 4.

“**Initial Advance Conditions**” has the meaning given thereto in Section 7.

“**Initial DIP Budget**” has the meaning given thereto in Section 13.

“**Initial Order**” has the meaning given thereto in Section 7(a).

“**KERP**” means a key employee retention program providing payments to the Borrower’s key employees in an amount not exceeding \$3,035,000 during the CCAA Proceeding, in a form previously sent to the DIP Lender on October 6, 2023.

“**KERP Charge**” means a Court-ordered priority charge granted by the Court over a segregated account of the Monitor where an amount in respect of the KERP is paid, in an aggregate amount not to exceed \$3,035,000 to secure the Borrower’s obligations under the KERP.

“**Liens**” means all liens, hypothecs, charges, mortgages, trusts (including deemed, statutory and constructive trusts), encumbrances, security interests, and statutory preferences of every kind and nature whatsoever.

“**Material Contract**” means any contract, license or agreement: (i) to which the Borrower is a party or is bound; (ii) which is material to, or necessary in, the operation of the business of such Borrower; and (iii) which such Borrower cannot promptly replace by an alternative and comparable contract with comparable commercial terms, and, for certainty, includes the Offtake Agreement, the Onshore Agreement and the Wetcon PSA, but does not include the Advance Payments Facility Agreement.

“**Maturity Date**” has the meaning given thereto in Section 12.

“**Monitor**” means FTI Consulting Canada Inc.

“**Offtake Agreement**” means the Restatement of the Iron Ore Sale and Purchase Agreement dated November 11, 2018, as amended by the amendment dated March 2, 2020, emails dated June 10 through June 16, 2021 between representatives of the Buyer and the Seller, Offtake January Amendment, the Offtake May Side Letter, Section 2.2(a)(i) of this Agreement, and as further amended from time to time.

“**Offtake January Amendment**” means the amendment to the Offtake Agreement dated on or about the Initial Advance Date in form and substance satisfactory to the Buyer.

“**Offtake May Side Letter**” means the Fixed Price Side Letter 5 dated on or about the Effective Date in form and substance satisfactory to the Buyer.

“**Onshore Agreement**” means the Iron Ore Stockpile Purchase Agreement dated December 17, 2019 between the Borrower and CITPL, as amended from time to time.

“**Operating Account**” means a bank account of the Borrower designated by the Borrower to receive Advances.

“**Original Currency**” has the meaning given thereto in Section 18.

“**Other Currency**” has the meaning given thereto in Section 18.

“**Outside Date**” means October 10, 2024.

“**Permitted Liens**” means (i) the Permitted Priority Liens; (ii) the DIP Lender Charge; (iii) any charges created under the Initial Order or other Court Order subsequent in priority to the DIP Lender Charge; (iv) Liens existing prior to the Filing Date; and (v) inchoate statutory Liens arising after the Filing Date in respect of any accounts payable arising after the Filing Date in the ordinary course of business.

“**Permitted Priority Liens**” means (i) the Administration Charge, (ii) the Directors’ Charge, (iii) the KERP Charge (if applicable), (iv) the Transaction Fee Charge, (v) any Lien in respect of amounts payable by the Borrower for wages, vacation pay, employee deductions, sales tax, excise tax, tax payable pursuant to Part IX of the *Excise Tax Act* (Canada) (net of input credits), income tax and workers compensation claims, in the case of each of the items listed in this clause (v), solely to the extent such amounts are given priority by Applicable Law and only to the extent that the priority of such amounts has not been subordinated to the DIP Lender Charge granted by the Court and (vi) such other Liens existing as of the Filing Date that have not been subordinated to the DIP Lender Charge granted by the Court.

“**Permitted Variance**” means a variance of not more than 15% relative to the aggregate disbursements (excluding the DIP Lender Expenses) on a cumulative basis since the beginning of the period covered by the applicable DIP Budget.

“**Person**” means an individual, partnership, corporation, business trust, joint stock company, limited liability company, trust, unincorporated association, joint venture, Governmental Authority or other entity of whatever nature.

“**Plan**” means any plan of compromise or arrangement pursuant to the CCAA in respect of the Borrower.

“**Post-Filing Credit Extensions**” has the meaning given thereto in Section 5.

“**Post-Filing Margin Advances**” has the meaning given thereto in Section 5.

“**Restructuring Transaction**” means any restructuring, financing, refinancing, recapitalization, sale, liquidation, workout, Plan or other material transaction of, or in respect of, the Borrower or all or substantially all of their business, assets or obligations.

“**Services**” has the meaning given thereto in Section 5.

“**SISP**” has the meaning given thereto in Section 28.

“**Subsequent Advance**” has the meaning given thereto in Section 4.

“**Subsequent Advance Conditions**” has the meaning given thereto in Section 8.

“**Taxes**” has the meaning given thereto in Section 27.

“**Transaction Fee Charge**” means a Court-ordered priority charge in favour of Greenhill & Co. Canada Ltd. for the transaction fee which may become properly due and payable under their engagement letter in an aggregate amount not to exceed \$5,600,000.

“**Term Sheet**” has the meaning given thereto in the preamble.

“**Testing Period**” has the meaning given thereto in Section 13.

“**Variance Report**” has the meaning given thereto in Section 13.

“**Wetcon PSA**” means the Wetcon Purchase and Sale Agreement made as of July 10, 2023 between the Borrower, as seller and CITPL, as buyer, as amended from time to time.

“**Withholding Taxes**” has the meaning given thereto in Section 27.

SCHEDULE "C"
SUMMARY DIP BUDGET

See attached.

SCHEDULE "D"
FORM OF INITIAL ORDER

See attached.

SCHEDULE "E"
FORM OF AMENDED INITIAL ORDER


See attached.

EXHIBIT "L"

referred to in the Affidavit of

JOE BROKING

Sworn October 9, 2023

DocuSigned by:

36124C4218DD47C...

Commissioner for Taking Affidavits
Philip Yang

Court File No. _____

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
TACORA RESOURCES INC. (the "**Applicant**")

CONSENT

FTI CONSULTING CANADA INC. is a licensed trustee within the meaning of section 2 of the *Bankruptcy and Insolvency Act*.

FTI CONSULTING CANADA INC. is not subject to any of the restrictions on who may be appointed monitor as set out in section 11.7(2) of the *Companies' Creditors Arrangement Act*.

FTI CONSULTING CANADA INC. HEREBY CONSENTS to act as Monitor in the above-captioned proceedings.

Dated at Toronto this 9th day of October, 2023

FTI CONSULTING CANADA INC.



Per: _____

**Nigel D. Meakin
Senior Managing Director**

EXHIBIT "M"

referred to in the Affidavit of

JOE BROKING

Sworn October 9, 2023

DocuSigned by:



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Commissioner for Taking Affidavits
Philip Yang

Greenhill & Co. Canada Ltd.
79 Wellington Street West
Suite 3403, P.O. Box 333
Toronto, ON M5K 1K7
(416) 601-2560

Greenhill

As of January 23, 2023

Tacora Resources Inc.
3400 De L'Eclipse, Suite 630
Brossard, Qc J4Z 0P3

Attn: Mr. Heng Vuong, EVP and CFO

Dear Mr. Vuong:

This letter agreement (this "Agreement") confirms the terms under which Tacora Resources Inc. (collectively with its direct and indirect subsidiaries, the "Company") has engaged Greenhill & Co. Canada Ltd. ("Greenhill"), as sole financial advisor and investment banker to the Company in connection with developing, and advising the Company with respect to, various strategic and business alternatives for the Company, which may include, without limitation, a Financing Transaction, or Restructuring Transaction, and/or M&A Transaction (each as defined below, and together the "Transactions"), and with respect to such other financial matters as to which the Company and Greenhill may agree in writing during the term of this engagement, as more specifically discussed herein. Notwithstanding Greenhill's engagement as sole financial advisor and investment banker to the Company, Greenhill acknowledges that Revival Capital Partners has been retained as the Company's Chief Transformation Officer. For purposes hereof, the term "Company" includes any entity formed or invested in to consummate a Financing Transaction, or a Restructuring Transaction, and/or M&A Transaction, and shall also include any successor to or assignee of all or substantially all of the assets and/or business of the Company, whether pursuant to a Plan (as defined below) or otherwise.

If appropriate in connection with performing its services for the Company hereunder, Greenhill may utilize the services of one or more of its affiliates, in which case references herein to Greenhill shall include such affiliates.

1. Scope of Services.

In connection with the engagement hereunder, Greenhill will render the services set forth below, to the extent the Company deems necessary, as appropriate and feasible:

- a. review and analyze the Company's assets and operations and the historical and projected financial performance of the Company, including its liquidity;

- b. analyze the Company's financial results and key operating performance indicators;
- c. review and analyze the business plan and financial projections prepared by the Company;
- d. evaluate the Company's potential debt capacity in light of its projected cash flows;
- e. assist in the determination of an appropriate capital structure for the Company and its affiliates;
- f. assist in the determination of a range of values for the Company as a going concern;
- g. assist the Company in raising, structuring and effecting new debt, equity or other securities, including, but not limited to, bridge, debtor-in-possession and/or exit financing;
- h. assist in evaluating strategic alternatives of the Company, and develop Transaction frameworks;
- i. provide advice and coordinate with management and counsel to develop a strategy for any Transaction and other transactions, as applicable and mutually agreed by the Company and Greenhill;
- j. provide financial advice and assistance to the Company in structuring any new securities, other consideration or instruments to be offered and/or issued in connection with a Transaction;
- k. assist the Company and its other professionals in reviewing the terms of any proposed Transaction and evaluate and recommend potential financial and strategic alternatives with respect to a possible Transaction;
- l. advise the Company on the risks and benefits of considering a Transaction with respect to the Company's intermediate and long-term business prospects and strategic alternatives to maximize the business enterprise value of the Company;
- m. assist or participate in negotiations with the parties in interest, including, without limitation, any current or prospective creditors or owners of the Company and/or their respective representatives in connection with a Transaction;
- n. manage information flow and requests from the counterparties to a Transaction throughout the transaction process;
- o. advise the Company with respect to, and attend, meetings of the Company's senior management, board of directors, audit committees (as necessary), creditor groups and other interested parties, as necessary, with respect to matters on which Greenhill has been engaged to advise hereunder;

- p. if requested by the Company, provide the Company with an Opinion (as defined below);
- q. in the event the Company determines to commence a Bankruptcy Case (as defined below), and if requested by the Company, participate in hearings either before the relevant Canadian court or the United States Bankruptcy Court, in which such proceedings or cases are pending (each, a “Bankruptcy Court”) and provide relevant testimony with respect to Greenhill’s services and the matters described herein, as well as issues arising in connection with any proposed Plan in Greenhill’s area of expertise concerning a Transaction; and
- r. provide such other general advisory services and investment banking services as are customary for similar transactions and as may be mutually agreed upon by the Company and Greenhill,

(each a “Service” and together, the “Services”).

In rendering the Services to the Company hereunder, Greenhill is not assuming any responsibility for the Company’s underlying business decision to pursue (or not to pursue) any business strategy or to effect (or not to effect) any Transaction. The Company agrees that Greenhill shall not have any obligation or responsibility to provide accounting, audit, or “crisis management”, or “business consultant” services for the Company, and shall have no responsibility for designing or implementing any operating, organizational, administrative, cash management or liquidity improvements, or to provide any opinions with respect to solvency in connection with any Transaction. The Company confirms that it will rely on its own counsel, accountants and other similar expert advisors for legal, accounting, tax, regulatory and other similar advice.

It is understood and agreed that nothing contained in this Agreement shall constitute an express or implied commitment by Greenhill to underwrite, place or purchase any securities.

As part of our investment banking business, Greenhill has regular ordinary-course conversations concerning our clients’ respective businesses, the markets, and potential transactions, as is customary for advisory services. Often, we may represent such clients on matters unrelated to any Transaction. Our clients include lender institutions, creditors, interested parties and potential counterparties to the Company who may have interests that are not aligned with your interests. You agree that any such relationships do not constitute a conflict of interest or a potential conflict of interest on the part of Greenhill, except where we may separately disclose to you circumstances that may require special consideration.

2. Information.

The Company shall use its best efforts to make available to Greenhill all information concerning the business, assets, operations, financial condition and prospects of the Company that Greenhill requires to render the Services hereunder (“Company Information”), and shall provide Greenhill with access to the Company’s officers, directors, employees, independent accountants, counsel and other advisors and agents as Greenhill reasonably deems appropriate. In order to coordinate effectively the

Company's and Greenhill's activities to effect any Transaction, the Company and Greenhill will promptly inform each other of any discussions, negotiations or inquiries regarding a possible Transaction (including any such discussions, negotiations or inquiries that have occurred prior to the date of this Agreement).

The Company represents that all Company Information furnished by it or on its behalf to Greenhill, at all times during Greenhill's engagement (i) will be true and correct in all material respects, and (ii) will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein not misleading in light of the circumstances under which such statements are made, in each case as of the date on which such Company Information is provided, or as of the date indicated in such Company Information, as applicable. If at any time during the term of this engagement, the Company becomes aware that the Company Information is or becomes inaccurate, incomplete or misleading in any material respect the Company shall promptly notify Greenhill.

Greenhill agrees that it will use the Company Information for the sole purpose of the engagement contemplated by this Agreement. The Company recognizes and acknowledges that in advising the Company and completing its engagement hereunder, Greenhill will also be using and relying on publicly available information and on data, material and, with the Company's permission, other information furnished to Greenhill by the Company's other advisors.

It is understood that in performing under this engagement, Greenhill shall be entitled to rely upon and assume, without assuming any responsibility for independent verification, the accuracy and completeness of all information that is publicly available and of all information that has been furnished to it by the Company or otherwise reviewed by Greenhill, and Greenhill shall not assume any responsibility or have any liability therefor; *provided, however*, that Greenhill acknowledges that projections and forecasts are subject to significant uncertainties and contingencies, many of which may be beyond the Company's control, and no assurance can be given that any particular projections or forecasts will be realized and that actual results during the period or periods covered by the projections or forecasts may differ from projected results, and such differences may be material.

3. Definitions.

As used herein, the term "Restructuring Transaction" shall mean any one or more of the following, whether or not on an out-of-court basis or pursuant to a plan of reorganization of the Company (a "Plan") confirmed in connection with any case or cases commenced by or against the Company, any of its affiliates or subsidiaries, its parent companies or any combination thereof, whether individually or on a consolidated basis, whether or not pursuant to chapter 11 of the United States Bankruptcy Code, the Canada Companies' Creditors Arrangement Act, R.S.C 1985, c. C-36 (the "CCAA"), the Canada Business Corporations Act, R.S.C. 1985, c. C-44 (the "CBCA") (or comparable provincial legislation) or a proposal under the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3 (the "BIA"), or similar proceedings in other jurisdictions, (each a "Bankruptcy Case"), and whether proposed by the Company or any other party: (a) any transaction or series of transactions that effects or proposes to effect material amendments to, or other material changes in the Company's 8.250% Senior Secured Notes due 2026 (the "8.250% Notes") and the related Indenture, dated as of May 11, 2021 (as the same may be amended, restated,

amended and restated, supplemented or otherwise modified from time to time, the “Indenture”), among Tacora Resources Inc. as borrower, Computershare Trust Company, N.A., as Trustee and Notes Collateral Agent, including, without limitation, by any exchange offer, repurchase or tender offer, refinancing, repayment, reorganization, recapitalization, equitization, amend-and-extend, cramdown or forgiveness of any portion thereof or similar transaction. and (b) any material amendments made to the Company’s Advance Payments Facility Agreement with Cargill International Trading Pte, Ltd (the “Cargill Advanced Payment Facility Agreement”) to the extent made in conjunction with a transaction related to the 8.250% Notes as described in 3(a) above.

As used herein, the term “M&A Transaction” shall mean any one or more of the following, whether or not pursuant to a Plan confirmed in connection with any case or cases commenced by or against the Company, any of its subsidiaries, or any combination thereof, whether individually or on a consolidated basis, whether or not pursuant to a Bankruptcy Case, and whether proposed by the Company or any other party: (i) any merger, consolidation, disposition, business combination, exchange of equity interests or other equity securities, or other transaction pursuant to which the entirety of the Company (or all or a material portion of any of the assets or operations thereof) is acquired by, or combined with, any person, group of persons, partnership, corporation or other entity that is not a current shareholder of the Company (an “Acquirer”) or (ii) any acquisition, directly or indirectly, by one or more Acquirers (or by one or more persons acting together with an Acquirer pursuant to a written agreement or otherwise), through a credit bid or otherwise, whether in a single transaction, multiple transactions or a series of transactions, of (x) all or a material portion of any of the assets or operations thereof (including through the assignment of any executory contracts) or operations of the Company (y) all or a majority of the outstanding or newly-issued shares of the Company’s capital stock or any securities convertible into, or options, warrants or other rights to acquire such capital stock or other equity securities of the Company for the purpose of effecting a Change of Control of the Company.

As used herein, the term “Financing Transaction” shall mean any new capital raised from investors including (a) senior secured debt, including, without limitation, any debtor in possession financing, (b) junior secured debt (c) unsecured or subordinated debt, (d) securitized facilities, (e) hybrid debt, (f) convertible securities, (g) preferred equity, (h) common equity, (i) rights offerings, (j) any other securities or capital offering. For greater certainty, Financing Transaction shall exclude issuance of any securities of the Company which are issued upon conversion, exercise or exchange of any currently-issued and outstanding securities of the Company.

As used herein, the term “Opinion” shall mean any opinion rendered as to the fairness, from a financial point of view, to the Company or, if applicable, holders of the Company's common stock of the consideration to be received by the Company or such holders (or the exchange ratio provided for) in connection with a proposed Transaction; it being understood that the nature and scope of Greenhill's investigation as well as the scope, form and substance of, and the assumptions and qualifications contained in, its Opinion, shall be as Greenhill, in its professional judgement, deems appropriate (provided such assumptions and qualifications will be communicated to the Company prior to the delivery of the Opinion in order that the Company may address them, should the Company consider this appropriate).

As used herein, the term “Change of Control of the Company” shall mean the occurrence of any event whereby the Acquirer becomes the owner, directly or indirectly, beneficially or of record, of shares representing more than 50% of the outstanding shares entitled to vote.

As used herein, the term “Transaction” shall mean any of a Restructuring Transaction, Financing Transaction, or M&A Transaction.

4. Compensation.

As compensation for Greenhill’s services rendered hereunder, the Company (including any successor to or assignee of all or substantially all of the assets and/or business of the Company) shall pay Greenhill the following fees, in cash, in U.S. Dollars, via direct wire transfer:

- a. Monthly Advisory Fee. Commencing as of May 1, 2023, a non-refundable financial advisory fee of US\$125,000 per month (the “Monthly Advisory Fee”), which shall be due and paid promptly by the Company on a monthly basis in advance. The initial Monthly Advisory Fee shall be payable on May 1, 2023, and thereafter the Monthly Advisory Fees shall be payable in advance on the first date of each month.
- b. Restructuring Transaction Fee. If, at any time during the Fee Period (as defined below), the Company consummates a Restructuring Transaction, Greenhill shall be entitled to receive a fee equal to (A) 1.00% of the aggregate value of the 8.250% Notes, and (B) 0.50% of the face value of the Cargill Advanced Payment Facility Agreement, subject to a minimum payment of US\$2,000,000 (the “Restructuring Transaction Fee”) payable upon the earlier of (a) the consummation of a Restructuring Transaction (out-of-court) and (b) the date on which notice is filed with the relevant court that a Plan (in-court) has become “effective” (e.g., through the filing of a notice of effective date in a case filed pursuant to chapter 11 of the United States Bankruptcy Code or the filing of a certificate of implementation under a CCAA proceeding). However, notwithstanding the date upon which a Restructuring Transaction Fee becomes payable, such Restructuring Transaction Fee will be earned upon the earlier of (x) the consummation of a Restructuring Transaction and (y) the confirmation, sanction or approval of a Plan.

Notwithstanding anything to the contrary in this Agreement, in connection with any Restructuring Transaction that is intended to be effected, in whole or in part, as a prepackaged, partial prepackaged or prearranged plan of reorganization anticipated to involve the solicitation of acceptances of such plan in compliance with the Bankruptcy Code, by or on behalf of the Company, from holders of any class of the Company’s securities, indebtedness or obligations (a “Prepackaged Plan”), the Restructuring Transaction Fee shall be earned and payable (x) 50% upon (1) receipt of votes or binding commitments from the Company’s creditors necessary to confirm such Prepackaged Plan or (2) obtaining indications of support from the Company’s creditors that in the good faith judgment of the Board of Directors of the Company are sufficient to justify filing a Prepackaged Plan and (y) the balance not previously paid shall be payable upon consummation of such Restructuring Transaction.

- c. Financing Fee. If at any time during the Fee Period, the Company raises new capital, Greenhill shall be entitled to receive a new capital or financing fee (a “Financing Fee”) equal to (and as applicable):
- (i) 1.00% of the face amount of any senior secured debt raised, including, without limitation, any debtor in possession financing raised; and
 - (ii) 2.00% of the face amount of any junior secured debt raised; and
 - (iii) 3.00% of the face amount of any unsecured or subordinated debt raised; and
 - (iv) 4.00% of any hybrid capital raised; and
 - (v) 5.00% of any equity capital or capital convertible into equity raised, including, without limitation, equity underlying any warrants, purchase rights or similar contingent equity securities.

For the avoidance of doubt, the term “raised” includes the amount committed or otherwise made available to the Company, whether or not such amount (or any portion thereof) is drawn down at closing or is ever drawn down and whether or not such amount (or any portion thereof) is used to refinance existing obligations of the Company. Provided further, Greenhill will not receive a Financing Fee for any capital provided by existing shareholders (as listed in Schedule C). Provided further, that Greenhill shall be entitled to a Financing Fee due to new capital being raised from any entity which owns the 8.250% Notes.

- d. M&A Fee. If at any time during the Fee Period, either (a) a M&A Transaction is consummated or (b) a definitive agreement to effect an M&A Transaction is entered into and the M&A Transaction contemplated by such definitive agreement is eventually consummated at any time thereafter (including following the expiration of the Fee Period), in either case, Greenhill shall be entitled to receive an M&A fee (a “M&A Fee”) equal to the greater of (a) US\$2,500,000 and (b) an amount determined in accordance with Schedule B hereto.
- e. Opinion Fee. An opinion fee to be mutually agreed upon by the Company and Greenhill (the “Opinion Fee”), payable at the time Greenhill delivers any Opinion. No portion of the Opinion Fee shall be contingent upon the consummation of the Transaction or any conclusion set forth in the Opinion. The Opinion Fee, to the extent previously paid, shall be credited once against and otherwise discharged in full by payment of the M&A Fee payable to Greenhill hereunder.

As used in this Agreement, “Fee Period” shall mean the period including (i) the term of this Agreement and Greenhill’s engagement hereunder, and (ii) the period beginning upon the termination of this Agreement and Greenhill’s engagement hereunder and extending 12 (twelve) months thereafter.

Notwithstanding anything to the contrary contained herein, Greenhill shall not be entitled to receive any fee, including any Restructuring Transaction Fee, Financing Fee and M&A Fee, in connection with any sale, transfer or disposition of Tacora Norway AS, Sydvaranger Mining AS, Sydvaranger Eiendom AS, Sydvaranger Drift AS, Sydvaranger Malmtransport AS and/or any other subsidiary of Tacora Norway AS in any jurisdiction (collectively, the “Norwegian Subsidiaries”) (the “Norwegian Sale”).

5. Crediting

In the event that Greenhill earns both a Restructuring Transaction Fee and an M&A Fee concurrently, 50% of the lowest such fee earned (to the extent actually paid) shall be credited once against the other such fee.

6. Recognition of Fee Structure.

The Company and Greenhill acknowledge and agree that the hours worked, the results achieved, and the ultimate benefit to the Company of the work performed, in each case, in connection with this engagement, may be variable, and that the Company and Greenhill have taken this into account in setting the fees hereunder.

No fee payable to any other person, by the Company or any other party, shall affect any fee payable to Greenhill hereunder.

7. Out-of-Pocket Expenses.

Without in any way reducing or affecting the provisions of Schedule A hereto, the Company shall promptly reimburse, during the term of the engagement hereunder, Greenhill on a monthly basis for its reasonable and documented out-of-pocket expenses incurred in connection with the performance of its engagement hereunder, including, without limitation, the reasonable fees, disbursements and other documented charges of Greenhill’s counsel (without the requirement that the retention of such counsel be approved by the Bankruptcy Court); provided that the amount of such expenses and fees for which Greenhill shall be entitled to reimbursement from the Company shall not exceed \$50,000 in the aggregate without Company’s prior written consent. If a Bankruptcy Case is commenced and Greenhill’s engagement hereunder is approved by the Bankruptcy Court, consistent with and subject to any applicable order of the Bankruptcy Court, the Company shall promptly reimburse Greenhill for such expenses under this Section 6 upon presentation of an invoice or other similar documentation with reasonable detail. Greenhill agrees to provide the Company with reasonable documentary support for its expenses at the Company’s request or at the Bankruptcy Court’s direction.

8. Indemnification.

The Company hereby indemnifies Greenhill and certain related persons in accordance with the indemnification provisions (“Indemnification Provisions”) attached to this Agreement as Schedule A. Such Indemnification Provisions are an integral part of this Agreement, and the terms thereof are incorporated by reference herein. Such Indemnification Provisions shall survive any termination or completion of Greenhill’s engagement hereunder.

9. Termination.

This Agreement and Greenhill's engagement hereunder may be terminated by either the Company or Greenhill at any time, upon providing 30 days' advance written notice thereof to the other party, *provided, however*, that (a) termination of Greenhill's engagement hereunder shall not affect the Company's continuing obligation to indemnify Greenhill and certain related persons as provided for in Schedule A to this Agreement, and the Company's and Greenhill's continuing obligations and agreements under paragraphs 7, 8, 9, 10, 12, and 13 hereof, (b) notwithstanding any such termination, Greenhill shall be entitled to receive from the Company the fees in the amounts and at the times provided for in paragraph 4 hereof subject to terms and conditions of this Agreement, and (c) any termination of Greenhill's engagement hereunder shall not affect the Company's obligation to reimburse expenses provided in paragraph 6 hereof in the amounts and at the times provided therein. Without limiting any of the foregoing, any Restructuring Transaction Fee, Financing Fee and / or M&A Fee shall be payable in the event that (a) any Restructuring Transaction, Financing Transaction, and / or M&A Transaction is consummated at any time prior to the expiration of the Fee Period, or (b) a definitive agreement with respect thereto is executed at any time prior to the expiration of the Fee Period (which definitive agreement subsequently results in the consummation of the related Transaction), in each case subject to the terms herein.

10. Independent Contractor.

Greenhill has been retained under this Agreement as an independent contractor with no fiduciary duties owing to or agency relationship with the Company or to any other party.

11. Confidentiality.

- a. The advice (oral or written) rendered by Greenhill pursuant to this Agreement is intended solely for the benefit and use of the Company and the Company's board of directors in considering the matters to which this Agreement relates, and the Company agrees that such advice may not be relied upon by any other person or entity, used for any other purpose or reproduced, disseminated, quoted or referred to at any time, in any manner for any purpose, nor shall any public references to Greenhill be made by the Company, without the prior written consent of Greenhill, except in each case as may be required by law, rule, or regulation or legal, judicial, administrative or regulatory process or proceeding, including in connection with any application for retention of Greenhill in a Bankruptcy Case.
- b. Greenhill and each of its principals, directors, officers, employees and advisors shall keep strictly confidential and shall use only for the purpose of performing Services hereunder all information, whether written or oral, received from the Company and its agents and advisors or to which they obtain access in connection with Greenhill's engagement hereunder except and only to the extent that the information was made available to the public prior to Greenhill's engagement or thereafter becomes available to the public other than through a breach by Greenhill of its obligations hereunder and except to the extent that Greenhill is required by law or in connection with legal process or legal or regulatory proceedings or policy to disclose such information. If Greenhill is required to

disclose any such information, it shall to the fullest extent legally permitted provide the Company with prompt notice of such requirement so that the Company may seek an appropriate protective order or other appropriate remedy or waive compliance with this requirement; provided that if a protective order or other appropriate remedy is not obtained, Greenhill will furnish only the portion of such information that it determines on the advice of counsel is legally required. Greenhill shall only disclose information provided to it in connection with its engagement hereunder to its principals, directors, officers, employees, advisors, counsel and agents who need to know such information for purposes of Greenhill performing the Services hereunder and provided such principals, directors, officers, employees, advisors, counsel and agents shall be made aware of and be bound by this paragraph 11.b. and Greenhill shall be responsible for ensuring compliance by such principals, directors, officers, employees and agents with the terms hereof.

12. Required Information.

The Company acknowledges that Greenhill is required to obtain, verify and record certain information that identifies each entity that enters into a formal business relationship with Greenhill (including, but not limited to, the Company's complete legal name, street address and taxpayer ID number or similar identification number) in accordance with the USA Patriot Act and FinCEN rules.

13. Public Announcement.

The Company agrees that Greenhill shall have the right, at its own expense, with the Company's initial, prior consent, such consent not to be unreasonably withheld, following the closing of a Transaction, to place announcements and advertisements or otherwise publicize a Transaction in such financial and other newspapers and journals as it may choose, stating that Greenhill acted as financial advisor to the Company in connection with such Transaction. The Company further agrees that Greenhill may utilize the Company's logo and other marks in any such public announcement and/or general marketing and promotional materials.

14. Choice of Law; Jurisdiction.

This letter agreement (including Schedule A) (a) shall be governed by and construed in accordance with the laws of the Province of Ontario, regardless of the laws that might otherwise govern under applicable principles of conflicts of law thereof and no proceeding or claim related directly or indirectly to this letter agreement shall be commenced, prosecuted, pursued or continued in any court other than the courts of the Province of Ontario located in the City of Toronto, (b) incorporates the entire understanding of the parties with respect to the subject matter hereof and supersedes all previous agreements should they exist with respect thereto, (c) may not be amended or modified except in a writing executed by the Company and Greenhill and (d) shall be binding upon and inure to the benefit of the Company, Greenhill, the other Indemnified Parties (as defined in Schedule A) and their respective successors and assigns. Each of the Company and Greenhill agree to waive, to the fullest extent permitted by law, any objection it may now or hereafter have to the laying of venue of any such proceeding brought in any Ontario court specified in this paragraph and any claim that any such proceeding brought in any such court has been brought in an

inconvenient forum and to waive all rights to trial by jury in any action, proceeding or counterclaim brought by or on behalf of either party with respect to any matter whatsoever relating to or arising out of any actual or potential Financing Transaction or the engagement of or performance by Greenhill hereunder. No party may assign its rights or obligations under this letter agreement without the prior written consent of the other party.

15. Successors and Assigns.

This Agreement shall be binding upon the parties hereto and their respective successors and assigns (including, in the case of the Company, any successor to all or a substantial portion of the assets and/or the businesses or operations of the Company under a Plan or a sale under §363 of the Bankruptcy Code). This Agreement is not intended to confer any rights upon any shareholder, creditor, owner or partner of the Company, or any other person or entity not a party hereto other than the Indemnified Persons referenced in the Indemnification Provisions contained herein.

16. Application for Retention under CCAA, CBCA or BIA. In the event the Company determines to commence a CCAA, CBCA or BIA, the Company shall apply promptly to the applicable court, for approval of (a) this Agreement; (b) the retention of Greenhill by the Company under the terms of this Agreement, nunc pro tunc to the date of this Agreement; (c) the payment of the fees and expenses of Greenhill in the form and at the times contemplated hereby; and (d) security or charge rank for such fees in priority over pre-filing claim of any secured and unsecured creditor of the Company. The Company shall use its commercially reasonable efforts to obtain such court approval and authorization on terms outlined herein; and Greenhill shall have no obligation to provide any services under this Agreement unless Greenhill's retention under the terms of this Agreement is approved in the manner set forth above by a final order of the applicable court, which order is acceptable to Greenhill, acting reasonably.

17. Chapter 11 under the United States Bankruptcy Code.

In the event that the Company is or becomes a debtor under chapter 11 of the U.S. Bankruptcy Code, the Company shall use its commercially reasonable efforts to promptly apply to the Bankruptcy Court for the approval pursuant to sections 327 and 328 of the Bankruptcy Code of this Agreement and Greenhill's retention by the Company under the terms of this Agreement, subject to the standard of review provided in section 328(a) of the Bankruptcy Code and not subject to any other standard of review under section 330 of the Bankruptcy Code. The Company shall supply Greenhill with a draft of such application and any proposed order authorizing Greenhill's retention sufficiently in advance of the filing of such application and proposed order to enable Greenhill and its counsel to review and comment thereon. Greenhill shall have no obligation to provide any services under this Agreement if Greenhill's retention under the material terms of this Agreement is not approved under section 328(a) of the Bankruptcy Code by a final order of the Bankruptcy Court no longer subject to appeal, rehearing, reconsideration or petition for certiorari, and which order is reasonably acceptable to Greenhill in all respects. Greenhill acknowledges that in the event that the Bankruptcy Court approves its retention by the Company, Greenhill's fees and expenses shall be subject to the jurisdiction and

approval of the Bankruptcy Court under section 328(a) of the Bankruptcy Code and any applicable fee and expense guideline orders. In the event that the Company becomes a debtor under the Bankruptcy Code and Greenhill's engagement hereunder is approved by the Bankruptcy Court, the Company shall pay all fees and expenses of Greenhill hereunder as promptly as practicable in accordance with the terms hereof and the order approving the retention of Greenhill. Subject to being so retained, Greenhill agrees that during the pendency of any Bankruptcy Case, it shall continue to perform its obligations under this Agreement and shall file interim and final applications for allowance of the fees and expenses payable to it under the terms of this Agreement pursuant to the applicable Federal Rules of Bankruptcy Procedure, and the local rules and orders of the Bankruptcy Court. Prior to commencing a chapter 11 case, the Company shall pay all undisputed amounts theretofore due and payable to Greenhill in cash.

The Company shall use best efforts to ensure that any cash collateral order, debtor-in-possession financing order and/or similar order entered in the Bankruptcy Case provides for the full and prompt payment of Greenhill's fees and expenses contemplated hereby from any cash collateral and financing proceeds. Greenhill's fees, documented out-of-pocket expenses and indemnification under this Agreement shall be entitled to payment priority as expenses of administration or as professional compensation to the fullest extent permitted by the Bankruptcy Code.

In agreeing to seek Greenhill's retention under Section 328(a) of the Bankruptcy Code, the Company acknowledges that it believes that Greenhill's general restructuring experience and expertise, its knowledge of the industry in which the Company operates and the capital markets and its merger and acquisition capabilities will inure to the benefit of the Company, that the value to the Company of Greenhill's services hereunder derives in substantial part from that expertise and experience and that, accordingly, the structure and amount of the Monthly Advisory Fee, the Restructuring Transaction Fee, the Financing Fee and the M&A Fee are reasonable, regardless of the number of hours expended by Greenhill's professionals in performance of the services provided hereunder.

18. Entire Agreement.

Except as provided herein, this Agreement, including Schedule A hereto, embodies the entire agreement and understanding of the parties hereto and supersedes any and all prior agreements, arrangements and understandings relating to the matters provided for herein. No alteration, waiver, amendment, change or supplement hereto shall be binding or effective unless the same is set forth in writing signed by a duly authorized representative of each party.

19. Authority.

Each party hereto represents and warrants that it has all requisite power and authority to enter into this Agreement and the transactions contemplated hereby. Each party hereto further represents and warrants that this Agreement has been duly and validly authorized by all necessary corporate or other action on the part of the Company and Greenhill and has been duly executed and delivered by the Company and Greenhill

and constitutes a legal, valid and binding agreement of the Company and Greenhill, enforceable in accordance with its terms.

20. Counterparts.

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by facsimile, portable document format (PDF) or other electronic means shall be effective as delivery of a manually executed counterpart to this Agreement.

21. Additional Services.

If at any time during the term of this Agreement the Company requests additional services not covered in this Agreement, the parties may agree on an additional engagement, the terms of which will be set forth in an amendment to this Agreement or a separate letter agreement containing terms and conditions to be mutually agreed upon, including, without limitation, appropriate indemnification provisions. In any such additional engagement, Greenhill shall be paid fees to be mutually agreed upon in good faith by the Company and Greenhill at the appropriate time, which fees shall be customary for similarly situated investment banking firms in similar circumstances.

We are pleased to accept this engagement and look forward to working with the Company. Please confirm that the foregoing is in accordance with your understanding by signing and returning to us the enclosed duplicate of this letter, which shall thereupon constitute a binding agreement between the parties hereto.

Very truly yours,

GREENHILL & CO. CANADA Ltd.

By: _____
Michael Nessim

MANAGING DIRECTOR & HEAD
Metals & Mining

By: _____
Usman Masood

MANAGING DIRECTOR

GREENHILL & CO., LLC

By: _____
Chetan Bhandari

MANAGING DIRECTOR & CO-HEAD

North American Financing Advisory & Restructuring

Accepted and Agreed to:

Tacora Resources Inc.


By:  _____
Name: Heng Vuong

Title: EVP and CFO

We are pleased to accept this engagement and look forward to working with the Company. Please confirm that the foregoing is in accordance with your understanding by signing and returning to us the enclosed duplicate of this letter, which shall thereupon constitute a binding agreement between the parties hereto.

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By: 

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MANAGING DIRECTOR & HEAD
Metals & Mining

By: 

Usman Masood
MANAGING DIRECTOR

GREENHILL & CO., LLC

By: 

Chetan Bhandari

MANAGING DIRECTOR & CO-HEAD

North American Financing Advisory & Restructuring
Accepted and Agreed to:

Tacora Resources Inc.

By: 

Name: Heng Vuong
Title: EVP and CFO

SCHEDULE A

INDEMNIFICATION

The Company shall indemnify and hold harmless Greenhill, its affiliates and their respective officers, directors, members, partners, employees, agents, representatives and each other entity or person, if any, controlling Greenhill or any of its affiliates (collectively, the "Indemnified Parties") from and against any losses, claims, damages, demands and liabilities (but not including any consequential, indirect or special damages, such as lost profits) (collectively, "Liabilities") (or actions or proceedings in respect thereof), to which any of the Indemnified Parties may become subject related to or arising in any manner out of any activities performed or Services furnished pursuant to the attached letter agreement, any matter contemplated thereby or an Indemnified Party's role in connection therewith, including prior to the date hereof (the "Indemnified Activities"), except to the extent a court of competent jurisdiction shall have determined by final nonappealable judgment that such Liabilities resulted directly from the gross negligence or willful misconduct of Greenhill in performing the Services that are the subject of the attached letter agreement. In addition, the Company shall promptly reimburse the Indemnified Parties for all customary out-of-pocket costs and expenses (including, without limitation, fees, costs and expenses of legal counsel), as incurred, in connection with (i) the investigation of, preparation for, responding to, serving as a witness in respect of, or defending, pursuing, settling or otherwise becoming involved in, any pending or threatened investigative, administrative, judicial, or regulatory or other claim, action or proceeding or any arbitration or investigation in any jurisdiction related to or arising in any manner out of any Indemnified Activities, whether or not in connection with pending or threatened litigation to which Greenhill (or any other Indemnified Party) or the Company or any of its securityholders is, or is threatened to be, a party (collectively, "Proceedings") and (ii) enforcing any Indemnified Party's right under the attached letter agreement (including this Schedule A).

Greenhill shall notify the Company after it becomes aware that a Proceeding has been commenced (by way of service with a summons or other legal process giving information as to the nature and basis of the claim) against an Indemnified Party in respect of which indemnity may be sought hereunder. In any event, failure to notify the Company shall not relieve the Company from any liability which the Company may have on account of this indemnity or otherwise, except to the extent the Company shall not otherwise have been aware of such Proceeding and the Company shall have been materially prejudiced with respect to the Proceeding by such failure. Throughout the course of any Proceeding, Greenhill will provide the Company with copies of all relevant documentation, will keep the Company apprised of the progress of such Proceeding and will discuss with the Company all significant actions proposed. The Company shall on behalf of Greenhill and/or any other Indemnified Party, as applicable, be entitled (but not required) to assume the defence of any Proceeding. Notwithstanding the foregoing, Greenhill and its applicable Indemnified Party shall have the right to appoint their own separate counsel at the Company's cost in respect of any such Proceeding if: (i) the employment of such counsel has been authorized in writing by the Company; or (ii) counsel retained by the Company or by Greenhill and its applicable Indemnified Party has advised Greenhill and its applicable Indemnified Party that representation of both parties by the same counsel would be inappropriate because there may be legal defences available to Greenhill and its applicable Indemnified Party which are different from or in addition to those available to the Company, there is a conflict of interest between the Company, on one hand, and

Greenhill and its applicable Indemnified Party, on the other hand, or the subject matter of the Proceeding may not fall within the indemnity set forth herein. The Company shall not be liable for any settlement of any Proceeding effected by an Indemnified Party without the Company's prior written consent, which consent shall not be unreasonably withheld, but if settled in accordance herewith or if there is a judgment against an Indemnified Party, the Company agrees to indemnify the Indemnified Party from and against any Liability by reason of such settlement or judgment. Neither the Company nor any member of the Company's board of directors shall (a) settle, compromise, consent to the entry of a judgment in or otherwise seek to terminate any pending or threatened Proceeding in respect of which indemnity may be sought hereunder, whether or not any Indemnified Party is an actual or potential party to such Proceeding, or (b) participate in or facilitate any such settlement, compromise, consent or termination, including on behalf of the Company's board of directors (or a committee thereof), in each case without Greenhill's prior written consent, unless such settlement, compromise, consent or termination includes an unconditional release of each Indemnified Party from all actual or potential Liabilities relating to the Indemnified Activities (such release to be set forth in an instrument signed by all parties to such settlement, compromise, consent or termination) and does not include a statement as to or an admission of fault, culpability or a failure to act, by or on behalf of any Indemnified Party.

The Company agrees that if any indemnification or reimbursement sought pursuant to this Schedule A were for any reason not to be available to any Indemnified Party or insufficient to hold it harmless as and to the extent contemplated by this Schedule A, then the Company shall contribute to the amount paid or payable by such Indemnified Party in respect of Liabilities and expenses in such proportion as is appropriate to reflect the relative benefits to the Company and its affiliates, their respective securityholders and creditors on the one hand, and such Indemnified Party on the other, in connection with the transactions contemplated by the attached letter agreement (whether or not consummated) or, if such allocation is not permitted by applicable law as determined by a court of competent jurisdiction by final nonappealable judgment, in such proportion as is appropriate to reflect not only the relative benefits but also the relative fault of the Company (and its affiliates, and their respective directors, employees, agents and other advisors) on the one hand and such Indemnified Party on the other hand, as well as any other equitable considerations. It is hereby agreed that the relative benefits to the Company and its affiliates and their respective securityholders and creditors and to the Indemnified Party with respect to transactions contemplated by the attached letter agreement shall be deemed to be in the same proportion as (i) the total value paid or received or contemplated to be paid or received by the Company and its affiliates and their respective securityholders and creditors pursuant to transactions contemplated by the attached letter agreement (whether or not consummated) bears to (ii) the fees paid to Greenhill under the attached letter agreement (excluding amounts received by Greenhill as reimbursement of expenses and amounts paid under this Schedule A). The relative fault of the Company and the Indemnified Party shall be determined by reference to, among other things, whether the statements, actions or omissions to act or any other alleged conduct were by the Company (or its affiliates or their respective directors, employees, agents or other advisors) or the Indemnified Party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such action or omission to act. In no event shall the Indemnified Parties be required to contribute or otherwise be liable for an amount in excess of the aggregate amount of fees actually received by Greenhill pursuant to the attached letter agreement (excluding amounts received by Greenhill as reimbursement of expenses

and amounts paid under this Schedule A).

The Company further agrees that no Indemnified Party shall have any Liability (whether direct or indirect, in contract or tort or otherwise) to the Company or any person asserting claims on behalf of or in right of the Company for or in connection with Greenhill's engagement hereunder or the transactions contemplated by the attached letter agreement except to the extent a court of competent jurisdiction shall have determined by final nonappealable judgment that any Liability resulted directly from the gross negligence or willful misconduct of Greenhill in performing the Services that are the subject of the attached letter agreement. The indemnity, reimbursement and contribution obligations of the Company shall be in addition to any liability which the Company may otherwise have to an Indemnified Party, shall not be limited by any rights that an Indemnified Party may otherwise have and shall be binding upon and inure to the benefit of any successors, assigns, heirs and personal representatives of the Company or an Indemnified Party.

The indemnity, reimbursement and contribution provisions set forth herein shall remain operative and in full force and effect regardless of (i) any withdrawal, termination or consummation of or failure to initiate or consummate any transaction contemplated by the attached letter agreement, (ii) any investigation made by or on behalf of any party hereto or any person controlling (within the meaning of Section 15 of the Securities Act of 1933, as amended, or Section 20 of the Securities Exchange Act of 1934, as amended) any party hereto, (iii) any amendment or other modification or termination of the attached letter agreement or the completion of Greenhill's engagement and (iv) whether or not Greenhill shall, or shall not be called upon to, render any formal or informal advice in the course of such engagement.

SCHEDULE B

The M&A Fee with respect to any M&A Transaction shall be calculated by multiplying the Transaction Fee Percentage and the Transaction Value (as defined below). The Transaction Fee Percentage shall be calculated in accordance with the following table, where the Transaction Fee Percentage is prorated between the US\$[200] million and US\$[500] million intervals of the Transaction Value Markers by linear interpolation. For Transaction Values less than US\$[200] million, the Transaction fee shall be US\$2,500,000. For Transaction Values above US\$[500] million, the Transaction Fee Percentage shall be 0.75%.

<u>Transaction Value Markers</u>	<u>Transaction Fee Percentage</u>	<u>Transaction Fee</u>
US\$200 million (or lower)		US\$2,500,000
Between US\$200 million and US\$500 million	1.25% to 0.75%	Between US\$2,500,000 and US\$3,750,000
US\$500 million (or higher)	0.75%	US\$3,750,000 (or higher)

For the purpose of calculating an M&A Transaction Fee, “Transaction Value” shall equal the aggregate value of, without duplication, (A) the total value of all proceeds and other consideration to be paid to or received by the Company or its securityholders, directly or indirectly, in connection with a Transaction, including, without limitation: (i) cash; (ii) notes, securities and other property; (iii) amounts paid under contractual arrangements for financial lease arrangements; (iv) contingent payments (whether or not related to future earnings or operations); and (v) amounts held in escrow; plus (B) the aggregate principal amount of all indebtedness and other liabilities (including, without limitation, capitalized leases, pension liabilities and preferred stock obligations) outstanding immediately prior to consummation of a Transaction or otherwise, directly or indirectly, assumed, refinanced, defeased, extinguished or consolidated (including any premiums paid or defeasance costs) in connection with such Transaction. For purposes of computing any fees payable to Greenhill hereunder, (x) shares issuable upon exercise of options, warrants or other rights of conversion shall be deemed outstanding, (y) contingent and installment payments shall be valued based upon the estimated net present value thereof using an appropriate discount rate as determined in good faith by Greenhill and the Company, and (z) non-cash consideration shall be valued as follows: (A) publicly traded securities shall be valued at the average of their closing prices (as reported in The Wall Street Journal) for five trading days ending five trading days prior to the closing of the Transaction and (B) any other non-cash consideration shall be valued at the fair market value thereof as determined in good faith by the Company and Greenhill on the day prior to the consummation of the Transaction.

Transaction Value also shall include, without duplication, (i) the aggregate amount of any dividends or other distributions declared after the date hereof (other than normal recurring cash dividends), (ii) any amounts paid to repurchase any securities (other than repurchases pursuant to and consistent with currently existing stock repurchase programs) and (iii) in the case of a sale of assets, the net value of any working capital (other than cash) not acquired in such Transaction; provided that if the Norwegian Sale is completed, Transaction Value shall not include any value attributable to the assets sold, transferred or disposed of pursuant to the Norwegian Sale, including net value of any working capital attributed to any such assets.

In connection with a sale, transfer or other disposition of 50% or more of the outstanding common stock of the acquired company, Transaction Value will be calculated as if 100% of the outstanding common stock on a fully diluted basis had been acquired at the same per share amount paid in such Transaction.

SCHEDULE C

- Cargill, Incorporated, Cargill International Trading PTE LTD and each of their affiliates
- Proterra Investment Partners, Proterra M&M MGCA B.V., Proterra M&M Co-Invest LLC and each of their affiliates
- Aequor Holdings LLC and each of its affiliates
- Orion Resource Partners, Orion Fund II (Be) Ltd., Orion Fund II H Ltd. and each of their affiliates
- MagGlobal LLC and each of its affiliates
- Titlis Mining AS and each of its affiliates

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C.
1985, c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE
OR ARRANGEMENT OF TACORA RESOURCES INC.**

Court File No.

Applicant

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

PROCEEDINGS COMMENCED AT TORONTO

**AFFIDAVIT OF JOE BROKING
(SWORN OCTOBER 9, 2023)**

STIKEMAN ELLIOTT LLP
5300 Commerce Court West
199 Bay Street
Toronto, ON M5L 1B9

Ashley Taylor (LSO #39932E)
Tel: 416-869-5236
Email: ataylor@stikeman.com

Lee Nicholson (LSO #66412I)
Tel: 416-869-5604
Email: leenicholson@stikeman.com

Natasha Rambaran (LSO #80200N)
Tel: 416-869-5504
Email: nrambaran@stikeman.com

Philip Yang (LSO #82084O)
Tel: 416-869-5593
Email: pyang@stikeman.com

Counsel to the Applicant

TAB 3

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
TACORA RESOURCES INC.**

(Applicant)

**AFFIDAVIT OF CHETAN BHANDARI
(Sworn October 9, 2023)**

I, **CHETAN BHANDARI**, of the City of Greenwich, in the State of Connecticut, United States of America, MAKE OATH AND SAY:

1. I am a Managing Director of Greenhill & Co. Inc. ("**Greenhill**") and Co-Head of Greenhill's Financial Advisory & Restructuring Group. I have been working with Tacora Resources Inc. ("**Tacora**" or the "**Company**") and assisting with its liquidity management and restructuring efforts since Greenhill's engagement in January 2023. As such, I have knowledge of the matters to which I hereinafter depose, except where otherwise stated.

2. This affidavit is sworn in support of the Company's application to commence proceedings (the "**CCA Proceedings**") under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCA**"), and particularly approval of the DIP Loan Agreement (the "**DIP Agreement**") entered into on October 9, 2023 with Cargill, Incorporated ("**Cargill**"¹, and in its capacity as the DIP lender, the "**DIP Lender**"), pursuant to which the DIP Lender has agreed to advance to Tacora a total amount of up to \$75,000,000 (the "**DIP Facility**").

3. All references to currency in this affidavit are references to United States dollars, unless otherwise indicated. Capitalized terms not otherwise defined in this Affidavit have the meaning ascribed to them in the Affidavit of Joe Broking sworn October 9, 2023 (the "**Broking Affidavit**").

¹ Note: Cargill, Incorporated is an affiliate of Cargill International Trading Pte Ltd. References to "Cargill" throughout this affidavit refer to either Cargill International Trading Pte Ltd., in its capacity as an equity holder and secured creditor of Tacora, as well as Cargill, Incorporated, in its capacity as the DIP Lender.

I. DIP PROCESS

A. First DIP Process

4. Given the Company's challenging liquidity situation and upcoming debt maturities, on August 14, 2023, Greenhill commenced a solicitation process to obtain DIP financing proposals on behalf of Tacora (the "**First DIP Process**"). Greenhill, in consultation with the Company's management and other advisors, and FTI Consulting Canada Inc. ("**FTI**"), in its capacity as proposed monitor, designed the contemplated First DIP Process, which provided for the following initial milestones:

Date	Milestone
August 14, 2023	First DIP Process launch to Initial Parties (as defined below)
August 18, 2023	Extend First DIP Process outreach to Additional Parties (as defined below)
August 21, 2023	Deadline for initial DIP proposals from the Initial Parties
August 23, 2023	Deadline for initial DIP proposals from Additional Parties
September 1, 2023	Finalize DIP Agreement with selected DIP Lender(s)

5. The First DIP Process originally involved contacting seven (7) existing stakeholders of the Company, including secured creditors and shareholders, and one (1) additional party that had been in active discussions with the Company and existing stakeholders regarding a potential investment in the Company (collectively, the "**Initial Parties**"). Greenhill contacted the Initial Parties between August 14th and 15th, 2023, and provided them with materials summarizing the Company's funding requirements during possible CCAA Proceedings and other information regarding the Company. On August 18, 2023, Greenhill contacted four (4) additional financial parties and two (2) additional strategic parties (collectively, the "**Additional Parties**") to solicit their interest in potentially providing DIP financing to the Company. The Additional Parties were selected, in consultation with the Company's management and other advisors, and FTI as Proposed Monitor, based on their familiarity with the Company (including previous participation in

the Strategic Process) and their ability to provide DIP financing to the Company in a timely manner. The Additional Parties were provided with the same materials as the Initial Parties. The Initial Parties and the Additional Parties had previously executed non-disclosure agreements with the Company.

6. In response to the outreach to the Initial Parties and the Additional Parties, the Company received four (4) proposals for DIP financing:

- (a) A \$100 million DIP financing proposal from the Ad Hoc Group (the “**Ad Hoc Group Proposal**”);
- (b) A \$50 - \$60 million DIP financing proposal from another Initial Party (the “**Other Proposal #1**”);
- (c) A \$60 million DIP financing proposal from an Additional Party (“**Other Proposal #2**”); and
- (d) A summary of basic conditions required for a restructuring of the Company’s debt and offtake agreement in connection with the DIP financing proposal (“**Other Proposal #3**”).

7. Other Proposal #2 contemplated interest and fees which were significantly more expensive than the Ad Hoc Group Proposal and the Other Proposal #1 and also did not provide the Company with sufficient liquidity to operate under the CCAA through the contemplated time it would require to complete a strategic process and develop a viable sale or recapitalization transaction. This feedback was communicated to the Additional Party but it was unable to significantly revise the proposal. Other Proposal #3 was not actionable as it required concessions from stakeholders and creditors, which were unlikely to be achieved, particularly in the timeframe required. Accordingly, the Company determined to focus on pursuing the Ad Hoc Group Proposal and the Other Proposal #1.

8. Following receipt of their initial proposals, Greenhill and Stikeman Elliott LLP (“**Stikeman**”), counsel to the Applicant, in consultation with FTI, negotiated with the Ad Hoc Group and the Initial Party regarding Other Proposal #1 from receipt of initial proposals on August 21, 2023 through September 3, 2023, in an attempt to secure the best terms possible in the circumstances. On September 3, 2023, Stikeman communicated to both parties that they were

required to submit committed, final and best proposals by September 5, 2023 at 12:00 p.m. EST for consideration by the Company (the “**First DIP Proposal Deadline**”).

9. On September 4, 2023, Greenhill contacted the Ad Hoc Group’s advisors with a proposed structure, interest rates and fees aimed at making their proposal comparable to the Other Proposal #1 when factoring in the benefit the Company would receive from the other arrangements offered to the Company by the Other Proposal #1.

10. Greenhill also reached out to the Initial Party which provided the Other Proposal #1 with a request on a proposed structure in terms of the size of the DIP facility and a proposed structure for interest rates and fees to make it more comparable to the Ad Hoc Group Proposal.

11. The Company received a revised proposal from the Ad Hoc Group by the First DIP Proposal Deadline previously communicated to both parties. The Ad Hoc Group’s revised proposal included the additional funding requested by the Company to address required payments by the Company in the case of potential decreases in iron-ore prices and also improved the economics and overall terms from their initial proposal.

12. The Company did not receive a revised proposal from the Initial Party which provided the Other Proposal #1 by the First DIP Proposal Deadline.

13. Following receipt of the revised proposal from the Ad Hoc Group, the Company continued negotiating with the advisors to the Ad Hoc Group in an attempt to secure the best terms possible in the circumstances. Following those negotiations, the Company entered into a DIP agreement with the Ad Hoc Group on September 11, 2023 (the “**Original AHG DIP Agreement**”). Since the Company did not file for protection under the CCAA, no amounts were drawn under the Original AHG DIP Agreement and it never received Court approval.

B. Second DIP Process

14. As described in the Broking Affidavit, on September 12, 2023, the Company, its secured creditors, and a potential investor appeared to have reached an agreement in principle on the terms of a consensual restructuring and recapitalization transaction. In order to allow negotiation of a binding agreement to take place, Tacora did not file for protection under the CCAA during the week of September 11, 2023.

15. However, despite efforts from the Company to encourage a consensual resolution between the stakeholders, the parties were ultimately unable to reach a binding agreement on an actionable consensual recapitalization transaction. As a result, the Company, in consultation with FTI, Greenhill, and Stikeman, reengaged in discussions with the Company's two main secured creditors, the Ad Hoc Group and Cargill regarding a DIP (the "**Second DIP Process**").

16. On October 5, 2023, Cargill submitted a proposal for DIP financing to the Company. As a result of receiving competing DIP proposals, the Company engaged in negotiations with both parties in an effort to secure the best DIP proposal available in the circumstances. Stikeman communicated to both the Ad Hoc Group and Cargill that they were required to submit committed, final, and best proposals by October 7, 2023, at 5:00 p.m. EST for consideration by the Company (the "**Second DIP Proposal Deadline**").

17. The Company received an executed DIP term sheet from Cargill by the Second DIP Proposal Deadline. Following receipt of the executed DIP term sheet from Cargill, certain amendments were made to Cargill's proposal.

18. On the Second DIP Proposal Deadline, the Ad Hoc Group stated that they were committed to provide DIP financing to the Company on the terms of the Original AHG DIP Agreement, with amendments to accommodate the new proposed date of Tacora filing for protection under the CCAA and certain other minor amendments requested by the Company. On October 8, 2023, the Ad Hoc Group submitted a DIP proposal which reflected the amendments they were willing to make to the Original AHG DIP Agreement.

C. Selection of DIP Lender

19. Throughout the Second DIP Process, Stikeman and Greenhill, in consultation with FTI, as Proposed Monitor, communicated key issues in each party's DIP proposal and negotiated with both parties to secure the best possible terms for the Company. Following these negotiations, the final DIP proposals from each of Cargill and the Ad Hoc Group were provided to the Company's board of directors (the "**Board**") and management. Following receipt of the advice and recommendations from Greenhill, Stikeman and FTI, the Board exercised their good faith business judgment and determined that the Cargill DIP proposal received during the Second DIP Process was the superior DIP facility available for the Company.

20. The Cargill DIP term sheet is superior in the following manner, among others:

- (a) *Cost.* Cargill's DIP proposal has a lower cash cost to the Company and cost of capital on a blended basis, considering the extension of certain operational agreements during the CCAA Proceedings.
- (b) *Benefit of existing arrangements.* As described in the Broking Affidavit, Tacora benefits from a variety of existing agreements with Cargill, including the Offtake Agreement, Stockpile Agreement, and Senior Secured Hedging Facility. Cargill's offer results in the Company continuing to have the benefit of these agreements throughout the CCAA Proceedings (subject to an event of default occurring under the DIP facility). I understand from management of the Company that continuing these existing arrangements is expected to result in less operational disruption during the CCAA Proceedings.
- (c) *Mark-to-market payments.* Cargill's DIP proposal provides the Company with more capacity to address mark-to-market payments in the event of falling iron-ore prices, via its ability to utilize \$20 million of Margin Advance capacity under the Company's existing arrangements with Cargill.
- (d) *Less risk of default.* The Cargill proposal provided more favourable covenants to the Company lessening the risk of default under the DIP facility, including providing for cumulative variance testing in respect of cash flow and no production related covenants.

21. Importantly for the Company, the Cargill DIP proposal also permits the Company to complete a solicitation process in respect of potential restructuring transactions for the Company which could involve assumption of the offtake agreement, a new offtake agreement, or no offtake agreement (subject to any rights or arguments Cargill may have in respect of approval of such transaction), if necessary to secure a value-maximizing transaction in the interest of all stakeholders. It should be noted that if the Company entered into an agreement in respect of a restructuring transaction, prior to the bid deadline contemplated by the solicitation process (i.e. a stalking horse agreement), which involved the termination, suspension or disclaimer of the Offtake Agreement, that would cause an event of default under the Cargill DIP proposal and require either Cargill's consent or a refinancing of the Cargill DIP facility. The Company's advisors understood that the Ad Hoc Group was potentially interested in acting as a stalking horse, but given there have not been any advanced discussions regarding a stalking horse agreement and the Ad Hoc

Group will be able to fully participate in any solicitation process, the Company, in consultation with Greenhill, Stikeman and FTI, determined the benefits provided by the Cargill DIP proposal outweighed this potential negative.

22. Accordingly, on October 9, 2023, the Tacora, as borrower, and Cargill, as the DIP Lender, entered into the DIP Agreement.

23. A comparison of the Cargill DIP proposal and Ad Hoc Group DIP proposal is attached hereto as **Confidential Exhibit "A"**.

II. DIP Facility

24. The DIP Agreement is subject to customary covenants, events of default, conditions precedent, and representations and warranties. These include, among other things, the requirement that the Court grant a DIP Charge in favour of the DIP Lender securing all obligations of the Applicant under or in connection with the DIP Agreement.


25. The primary terms of the DIP Agreement are summarized in the Broking Affidavit. Pursuant to the DIP Agreement, the DIP Lender has committed to providing Tacora with \$75,000,000, of which an Initial Advance of \$15,500,000 will be made available to Tacora during the initial 10-day Stay Period. The quantum of the Initial Advance was sized by management of the Company, in consultation with FTI, based on the expected potential funding need during the initial 10-day stay period, considering the volatile nature of iron ore prices and potential contingencies that arise in large high-fixed cost mining operations. Subsequent advances to Tacora, which are made on a bi-weekly basis, are subject to certain conditions precedent.

26. Interest is payable on all amounts drawn under the DIP Facility at a rate of 10% per annum in cash and payable monthly in arrears. Interest on all advances under the DIP Facility are calculated and compounded on a monthly basis on the principal amount of such advances and any overdue interest remaining unpaid.

27. In connection with the DIP Facility, the DIP Lender also earns an Exit Fee in an amount equal to 3% of the maximum availability of \$75,000,000, being equal to \$2,250,000, as compensation for the DIP Lender's commitment to provide DIP financing to the Company. The Exit Fee is not earned until the Court grants an amended and restated Initial Order approving the DIP Facility following the initial 10-day stay period and the Exit Fee is payable upon the completion of a successful restructuring transaction or the indefeasible repayment in full of the DIP Facility.

28. Based on my experience and my review of comparable recent DIP financings in the United States and Canada, I believe that (a) the interest rate provided in the DIP Agreement is similar to (i) interest rates provided for in recent DIP financings and; (ii) debt yields of companies with comparable or superior credit quality to Tacora; and (b) the proposed Exit Fee as a percentage of the DIP Facility is comparable to fees provided for in recent DIP financings. I also believe the DIP Facility and DIP Agreement represent the best terms the Company could achieve in the circumstances based on the competitive DIP Process.

SWORN remotely via videoconference, by Chetan Bhandari, stated as being located in the City of Greenwich, in the State of Connecticut, before me at the City of Toronto, in Province of Ontario, this 9th day of October, 2023, in accordance with O. Reg 431/20, *Administering Oath or Declaration Remotely*.

DocuSigned by:

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Commissioner for Taking Affidavits, etc.
Philip Yang | LSO #80200N

DocuSigned by:

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
CHETAN BHANDARI

CONFIDENTIAL EXHIBIT "A"

referred to in the Affidavit of

CHETAN BHANDARI

Sworn October 9, 2023

DocuSigned by:


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Commissioner for Taking Affidavits
Philip Yang

TACORA RESOURCES

Summary of DIP Proposals

OCTOBER 2023

Cargill vs. Ad Hoc Group Proposal

Key features of debtor-in-possession facility (“DIP”) proposals

	Cargill	Ad Hoc Group
Amount	<ul style="list-style-type: none"> ▪ \$95.0 million commitment size <ul style="list-style-type: none"> – \$75.0 million commitment (“New Money”) which maintains pre-filing contracts <ul style="list-style-type: none"> • Onshore Purchase Agreement (“OPA”) and operational support from Cargill stay in place – \$20.0 million of incremental capacity under Post-Filing Credit Extension (only available for Cargill payments) 	<ul style="list-style-type: none"> ▪ \$119.0 million commitment sized to replace the OPA and senior secured hedging facility (“SSHF”) <ul style="list-style-type: none"> – \$105.2 million for operations; \$13.9 million contingent on MTM facility <ul style="list-style-type: none"> • <u>Tranche 1</u>: \$65.2 million • <u>Tranche 2</u>: \$40.0 million • <u>Tranche 3</u>: \$13.9 million
Rate	<ul style="list-style-type: none"> ▪ <u>New Money</u>: 10.0% cash interest rate <ul style="list-style-type: none"> – Interest paid monthly in arrears (\$1.7 million total cash interest for DIP budget period) ▪ <u>Post-Filing Credit Extension</u>: Nil 	<ul style="list-style-type: none"> ▪ <u>Tranche 1</u>: 10% cash interest rate / 3% PIK interest rate ▪ <u>Tranches 2 and 3</u>: 8.25% cash interest rate ▪ Interest paid monthly in arrears (\$3.6 million total cash interest / \$0.6 million total PIK interest for DIP budget period)
Fees	<ul style="list-style-type: none"> ▪ 3.0% Exit Fee on New Money <ul style="list-style-type: none"> – \$2.3 million Exit Fee based on \$75.0 million commitment 	<ul style="list-style-type: none"> ▪ 2.0% Backstop Fee on all tranches <ul style="list-style-type: none"> – \$2.4 million Backstop Fee including accrued and cash interest
Draws	<ul style="list-style-type: none"> ▪ Draws every other week in accordance with DIP budget <ul style="list-style-type: none"> – Sized to maintain minimum cash of \$10 million – \$15.5 million initial draw 	<ul style="list-style-type: none"> ▪ Four draws throughout projected period, with CPs which track milestones in the solicitation process
Variance to Budget	<ul style="list-style-type: none"> ▪ 15% Permitted Cash Flow Variance with respect to aggregate disbursements on a cumulative basis 	<ul style="list-style-type: none"> ▪ 10% Permitted Cash Flow Variance with respect to line item disbursements ▪ 15% Permitted Variance with respect to iron ore deliveries for each two-week period
KERP	<ul style="list-style-type: none"> ▪ \$3.035 million key employee retention plan (“KERP”) proposed by Company confirmed 	<ul style="list-style-type: none"> ▪ \$5 million KERP, with allocations TBD
Other	<ul style="list-style-type: none"> ▪ No payment of ad hoc group of 8.25% Senior Secured Noteholders (the “AHG”) advisor fees 	<ul style="list-style-type: none"> ▪ No payment of Cargill advisor fees ▪ Option to appoint two independent board members ▪ Communications and technical advisors

Summary of Terms

In aggregate both facilities provide liquidity through February 25, 2024 based on an assumption that a transaction will be consummated by such date notwithstanding a longer stated maturity under both DIP facilities

		Cargill	Ad Hoc Group
Facilities	Total	<ul style="list-style-type: none"> \$125.3 million (including implicit benefit of OPA and Post-Filing Credit Extension) 	<ul style="list-style-type: none"> \$119.0 million comprised of \$105.2 million funded DIP tranches and \$13.9 million contingent hedging tranche <ul style="list-style-type: none"> – <u>Tranche 1</u>: \$65.2 million – <u>Tranche 2</u>: \$40.0 million – <u>Tranche 3</u>: \$13.9 million
	DIP	<ul style="list-style-type: none"> \$75.0 million New Money 	<ul style="list-style-type: none"> \$105.2 million New Money
	Hedging	<ul style="list-style-type: none"> \$20.0 million available under Existing Arrangements (Post-Filing Credit Extension) 	<ul style="list-style-type: none"> \$13.9 million New Money
	OPA	<ul style="list-style-type: none"> \$30.3 million (implicit under Existing Arrangements) 	<ul style="list-style-type: none"> DIP sizing takes into account no OPA going forward
Cost of Capital	Interest	<ul style="list-style-type: none"> 10.0% cash on New Money 	<ul style="list-style-type: none"> <u>Tranche 1</u>: 10.0% cash and 3.0% PIK <u>Tranches 2 and 3</u>: 8.25% cash
	Basis	<ul style="list-style-type: none"> Payable monthly in arrears 	<ul style="list-style-type: none"> Payable monthly in arrears
	Fees	<ul style="list-style-type: none"> Exit Fee of 3.0% on \$75.0 million <ul style="list-style-type: none"> – \$2.3 million Paid on exit / maturity 	<ul style="list-style-type: none"> Backstop Fee of 2.0% on total DIP facility amount <ul style="list-style-type: none"> – \$2.4 million including accrued and cash interest Can convert Backstop Fee and PIK interest into equity at plan value
	Advisor Fees	<ul style="list-style-type: none"> Canadian Counsel (\$0.6mm in total for DIP budget period) 	<ul style="list-style-type: none"> Canadian & U.S. Counsel, Financial Advisor, Technical Advisor, Communications Advisor (\$5.0mm in total for DIP budget period) Funded via increased DIP size

Summary of Terms (cont'd)

In aggregate both facilities provide liquidity through February 25, 2024 based on an assumption that a transaction will be consummated by such date notwithstanding a longer stated maturity under both DIP facilities

	Cargill	Ad Hoc Group
Draw Schedule	<ul style="list-style-type: none"> ▪ Every two weeks 	<ul style="list-style-type: none"> ▪ Four draws <ul style="list-style-type: none"> – First Advance: \$17.5 million <ul style="list-style-type: none"> • Tranche 1: \$7.7 million • Tranche 2: \$4.7 million • Tranche 3: \$5.0 million – Second Advance: \$73.8 million <ul style="list-style-type: none"> • Tranche 1: \$40.2 million • Tranche 2: \$24.7 million • Tranche 3: \$8.9 million – Third Advance: \$24.3 million <ul style="list-style-type: none"> • Tranche 1: \$15.0 million • Tranche 2: \$9.2 million • Tranche 3: N/A – Fourth Advance: \$3.5 million <ul style="list-style-type: none"> • Tranche 1: \$2.2 million • Tranche 2: \$1.3 million • Tranche 3: N/A
Maturity	<ul style="list-style-type: none"> ▪ October 2024 	<ul style="list-style-type: none"> ▪ October 2024
Blended IRR	<ul style="list-style-type: none"> ▪ Assumes exit on 2/25/2024 (based on Outside Date) ▪ 25.2% IRR on DIP tranche ▪ 12.9% IRR on a blended basis assuming credit support in the form of the OPA and Post-Filing Credit Extension⁽¹⁾ 	<ul style="list-style-type: none"> ▪ Assumes exit on 2/25/2024 (based on Outside Date) ▪ 18.6% IRR

1. IRR calculation only includes \$13.85 million impact from Post-Filing Credit Extension in order to compare to AHG proposal on a like-for-like basis

Summary of Terms (cont'd)

Highlighted are key terms with respect to the DIP budget and strategic process

		Cargill	Ad Hoc Group
Variance	Revised Budget	<ul style="list-style-type: none"> Updated not more frequently than every two weeks Respond to acceptableness within 3 business days 	<ul style="list-style-type: none"> Updated once per week and no more frequently than twice per week Respond to acceptableness within 3 business days Majority DIP Lenders opine
	Variance Report	<ul style="list-style-type: none"> Last business day of every second week Actual disbursements for the preceding two weeks ("Testing Period") Cumulative basis against the budget on a line item and aggregate basis To be discussed with DIP Lender and advisors 	<ul style="list-style-type: none"> 5:00pm ET Friday of each week Cumulative receipts and disbursements on a line by line and cumulative basis
	Permitted Variance	<ul style="list-style-type: none"> 15% on a cumulative basis for aggregate disbursements <ul style="list-style-type: none"> Will not take into account fees and expenses of DIP lender 	<ul style="list-style-type: none"> 10% of any line item disbursement <ul style="list-style-type: none"> Will not take into account fees and expenses of the DIP Lenders and professional advisory fees of the Company and Monitor Production covenant requires Tacora to achieve at least 85% of production outlined in forecast <ul style="list-style-type: none"> Tested based on iron ore deliveries for each two-week period
Strategic Process	Order	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> October 27, 2023 for Solicitation Process Order satisfactory to DIP Lenders
	LOIs	<ul style="list-style-type: none"> December 1, 2023 	<ul style="list-style-type: none"> December 1, 2023
	Final Deadline	<ul style="list-style-type: none"> January 19, 2024 	<ul style="list-style-type: none"> January 19, 2024
	Closing	<ul style="list-style-type: none"> February 29, 2024 	<ul style="list-style-type: none"> February 16, 2024

Summary of Terms (cont'd)

Other key terms with respect to the DIP proposals

		Cargill	Ad Hoc Group
CP on Draws		<ul style="list-style-type: none"> Approval of post-filing credit extensions under Existing Facilities to be secured by DIP Lender Charges 	<ul style="list-style-type: none"> Draw 1 (October 10, 2023) <ul style="list-style-type: none"> Issuance of Initial Order Draw 2 (TBD date) <ul style="list-style-type: none"> Issuance of amended and restated initial order ("ARIO") Draft documents for ARIO and Solicitation Process Order need to be provided to the AHG Draw 3 (TBD date) <ul style="list-style-type: none"> Delivery of letters of intent for a sale and replacement offtake Draw 4 (TBD date) <ul style="list-style-type: none"> Delivery of binding bids
Covenants	Affirmative	<ul style="list-style-type: none"> Obtain an ARIO by October 20, 2023 (and prior to the second advance of funds) 	<ul style="list-style-type: none"> Delivery by 5:00pm ET Friday of each week a 13-week rolling iron ore delivery forecast (CCAA Iron Ore Delivery Forecast) Commencing two weeks following the initial CCAA Iron Ore Forecast, deliver to the port at least 85% of iron ore contemplated in forecast Provide technical advisor with reasonable access to the Scully mine, substantive operational updates, and consider technical advisor's recommendations regarding operations
	Negative	<ul style="list-style-type: none"> Cannot make payment not in accordance with the DIP budget 	<ul style="list-style-type: none"> Cannot make payment not in accordance with the DIP budget
Events of Default		<ul style="list-style-type: none"> Termination, suspension or disclaimer of the Advance Payments Facility Agreement, Offtake Agreement, OPA, and Wetcon PSA other than through the commencement of a SISF or to support a Restructuring Transaction 	<ul style="list-style-type: none"> Failure to satisfy the Solicitation Milestones Changes to the Cash Flow Projections resulting in a material adverse change or is not delivered within two days of the requisite time frame Change in Board that is not acceptable to Majority DIP Lenders
Corporate Governance		<ul style="list-style-type: none"> NA 	<ul style="list-style-type: none"> Appointment of up to two (2) Independent Directors with restructuring experience acceptable to the Required Lenders
Lender Consent		<ul style="list-style-type: none"> 100% 	<ul style="list-style-type: none"> Required DIP Lenders ~ 66 2/3% <ul style="list-style-type: none"> Amendments, Credit Bidding, Conversion of DIP to Exit Financing, CPs to Funding, Negative Covenants, EoDs, KERF Majority Lenders <ul style="list-style-type: none"> Changes to cash flow forecast, use of proceeds, Solicitation Milestones, Court Orders, Capex Budget, mandatory repayments
KERF		<ul style="list-style-type: none"> Agreed to Company proposed KERF of \$3.035 million 	<ul style="list-style-type: none"> Proposed \$5 million KERF, with allocations TBD

Summary of Terms (cont'd)

Summary of cost of the DIP proposals

Interest and Fees Under Each Proposal

(US\$'s in millions)

	Cargill	Ad Hoc Group
Cash Interest	\$1.7	\$3.6
PIK Interest	--	0.6
Exit / Backstop Fees	2.3	2.4
Lender Professional Fees	0.6	5.0
Financing Fee	1.2	1.2
Total	\$5.8	\$12.8

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF TACORA RESOURCES INC.

Court File No.

Applicant

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

PROCEEDINGS COMMENCED AT TORONTO

**AFFIDAVIT OF CHETAN BHANDARI
(SWORN OCTOBER 9, 2023)**

STIKEMAN ELLIOTT LLP
5300 Commerce Court West
199 Bay Street
Toronto, ON M5L 1B9

Ashley Taylor (LSO #39932E)
Tel: 416-869-5236
Email: ataylor@stikeman.com

Lee Nicholson (LSO #66412I)
Tel: 416-869-5604
Email: leenicholson@stikeman.com

Natasha Rambaran (LSO #80200N)
Tel: 416-869-5504
Email: nrambaran@stikeman.com

Philip Yang (LSO #82084O)
Tel: 416-869-5593
Email: pyang@stikeman.com

Counsel to the Applicant

TAB 4

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE MADAM)
JUSTICE KIMMEL)
) TUESDAY, THE 10TH
) DAY OF OCTOBER, 2023

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
TACORA RESOURCES INC.**

(Applicant)

INITIAL ORDER

THIS APPLICATION, made by Tacora Resources Inc. (the "**Applicant**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") was heard this day by judicial videoconference via Zoom.

ON READING the Notice of Application, the affidavit of Joe Broking sworn October 9, 2023, and the Exhibits thereto (the "**Broking Affidavit**"), the affidavit of Chetan Bhandari sworn October 9, 2023 (the "**Bhandari Affidavit**"), the consent of FTI Consulting Canada Inc. ("**FTI**") to act as the Court-appointed monitor of the Applicant (in such capacity, the "**Monitor**"), the Pre-Filing Report of FTI, as the proposed Monitor, and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for the Applicant, counsel for FTI and such other counsel and parties as listed on the Participant Information Form, with no one else appearing although duly served as appears from the affidavit of service of Natasha Rambaran, filed,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPLICATION

2. **THIS COURT ORDERS AND DECLARES** that the Applicant is a company to which the CCAA applies.

POSSESSION OF PROPERTY AND OPERATIONS

3. **THIS COURT ORDERS** that the Applicant shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"). Subject to further Order of this Court, the Applicant shall continue to carry on business in a manner consistent with the preservation of its business (the "**Business**") and Property. The Applicant is authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

4. **THIS COURT ORDERS** that, subject to the terms of the DIP Agreement (as defined below), the Applicant shall be entitled to continue to utilize the cash management system currently in place as described in the Broking Affidavit or replace it with another substantially similar cash management system (the "**Cash Management System**") and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicant of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicant, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under any Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

5. **THIS COURT ORDERS** that, subject to the terms of the DIP Agreement, the Applicant shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and

- (b) the fees and disbursements of any Assistants retained or employed by the Applicant in respect of these proceedings, at their standard rates and charges.

6. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein and subject to the terms of the DIP Agreement, the Applicant shall be entitled but not required to pay all reasonable expenses incurred by the Applicant in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), and maintenance and security services;
- (b) payment for goods or services actually supplied to the Applicant following the date of this Order; and
- (c) payments and/or advances to Tacora Resources LLC to pay salaries and wages for U.S. based employees and rent for Tacora's head office located in Grand Rapids, Minnesota.

7. **THIS COURT ORDERS** that the Applicant shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, and (iii) income taxes;
- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicant in connection with the sale of goods and services by the Applicant, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, and
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind

which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicant.

8. **THIS COURT ORDERS** that until a real property lease is disclaimed or resiliated in accordance with the CCAA, the Applicant shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Applicant and the landlord from time to time ("**Rent**"), for the period commencing from and including the date of this Order, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

9. **THIS COURT ORDERS** that, except as specifically permitted herein, the Applicant is hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicant to any of its creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY

10. **THIS COURT ORDERS** that until and including October 16, 2023, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicant and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicant or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

11. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall (a) empower the Applicant to carry on any business which the Applicant is not lawfully entitled to carry on, (b) affect such investigations, actions, suits or proceedings by a regulatory body as are

permitted by Section 11.1 of the CCAA, (c) prevent the filing of any registration to preserve or perfect a security interest, or (d) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

12. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Applicant, except with the written consent of the Applicant and the Monitor, or leave of this Court.

NO PRE-FILING VS POST-FILING SET-OFF

13. **THIS COURT ORDERS** that, no Person shall be entitled to set off any amounts that: (a) are or may become due to the Applicant in respect of obligations arising prior to the date hereof with any amounts that are or may become due from the Applicant in respect of obligations arising on or after the date of this Order; or (b) are or may become due from the Applicant in respect of obligations arising prior to the date hereof with any amounts that are or may become due to the Applicant in respect of obligations arising on or after the date of this Order, in each case without the consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall prejudice any arguments any person may want to make in seeking leave of the Court or following the granting of such leave.

CONTINUATION OF SERVICES

14. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Applicant or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Business or the Applicant, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicant, and that the Applicant shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicant in accordance with normal payment practices of the Applicant or such other practices as may be agreed upon by the supplier or service provider and each of the Applicant and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

15. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicant. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

16. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicant with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicant whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicant, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicant or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

17. **THIS COURT ORDERS** that the Applicant shall indemnify its directors and officers against obligations and liabilities that they may incur as directors or officers of the Applicant after the commencement of the within proceedings, including with respect to employee vacation pay which may have accrued prior to the commencement of these proceedings, but which obligation may become due and payable after the commencement of these proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

18. **THIS COURT ORDERS** that the directors and officers of the Applicant shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of US\$4,600,000, as security for the indemnity provided in paragraph 17 of this Order. The Directors' Charge shall have the priority set out in paragraphs 36 and 38 herein.

19. **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors'

Charge, and (b) the Applicant's directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 17 of this Order.

APPOINTMENT OF MONITOR

20. **THIS COURT ORDERS** that FTI Consulting Canada Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicant with the powers and obligations set out in the CCAA or set forth herein and that the Applicant and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicant pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

21. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Applicant's receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) assist the Applicant, to the extent required by the Applicant, in its dissemination, to the DIP Lender and their counsel, pursuant to and in accordance with the DIP Agreement (as defined herein), or as may otherwise be agreed between the Applicant and the DIP Lender;
- (d) advise the Applicant in its preparation of the Applicant's cash flow statements and reporting required by the DIP Lender under the DIP Agreement, which information shall be reviewed with the Monitor and delivered to the DIP Lender and their counsel in accordance with the DIP Agreement;
- (e) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicant, to the extent that is necessary to adequately assess the Applicant's business and financial affairs or to perform its duties arising under this Order;

- (f) hold and administer funds in connection with arrangements made among the Applicant, any counterparties and the Monitor or by Order of this Court;
- (g) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and
- (h) perform such other duties as are required by this Order or by this Court from time to time.

22. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

23. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, the *Ontario Occupational Health and Safety Act*, the *Newfoundland Environmental Protection Act*, the *Newfoundland Water Resources Act*, the *Newfoundland Occupational Health and Safety Act*, and the regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

24. **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Applicant and the DIP Lender with information provided by the Applicant in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicant is confidential, the

Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicant may agree.

25. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

ADMINISTRATION CHARGE

26. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Applicant shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to, on or subsequent to the date of this Order, by the Applicant as part of the costs of these proceedings. The Applicant is hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicant on a bi-weekly basis and, in addition, the Applicant is hereby authorized to pay to the Monitor, counsel to the Monitor and counsel to the Applicant reasonable retainers to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

27. **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

28. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, the Applicant's counsel and Greenhill & Co. Canada Ltd. ("**Greenhill**") for its Monthly Advisory Fee (as defined in the Engagement Letter dated as of January 23, 2023 between the Applicant and Greenhill) shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of US\$1,000,000, as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 36 and 38 hereof.

DIP FINANCING

29. **THIS COURT ORDERS** that the Applicant is hereby authorized and empowered to obtain and borrow a super-priority, debtor-in-possession, non-revolving credit facility (the "**DIP Facility**") under a DIP Loan Agreement dated October 9, 2023 (the "**DIP Agreement**") from Cargill, Incorporated (in such

capacity, the “**DIP Lender**”) in order to finance the Applicant’s working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under the DIP Agreement shall not exceed the principal amount of US\$15,500,000 and Post-Filing Credit Extensions (as defined in the DIP Agreement) shall not exceed the principal amount of US\$20,000,000, unless permitted by further Order of this Court.

30. **THIS COURT ORDERS** that the DIP Facility shall be on the terms and subject to the conditions set forth in the DIP Agreement attached as Exhibit “K” to the Broking Affidavit.

31. **THIS COURT ORDERS** that the Applicant is hereby authorized and empowered to execute and deliver such security documents and other definitive documents (collectively, the “**Definitive Documents**”), as are contemplated by the DIP Agreement or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Applicant is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the DIP Agreement and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

32. **THIS COURT ORDERS** that the DIP Lender and Cargill International Trading Pte Ltd. (“**CITPL**”) shall be entitled to the benefit of and is hereby granted a charge (the “**DIP Charge**”) on the Property, which DIP Charge shall not secure an obligation that exists before this Order is made, and in the case of CITPL, shall only secure Post-Filing Credit Extensions. The DIP Charge shall have the priority set out in paragraphs 36 and 38 hereof.

33. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Charge or any of the Definitive Documents;
- (b) upon the occurrence of an event of default under the DIP Agreement or the Definitive Documents, the DIP Lender may cease making advances to the Applicant and, upon four (4) business days’ notice to the Applicant and the Monitor, exercise any and all of its rights and remedies against the Applicant or the Property under or pursuant to the DIP Agreement, Definitive Documents and the DIP Charge, including without limitation, set off and/or consolidate any amounts owing by the DIP Lender to the Applicant against the obligations of the Applicant to the DIP Lender under the DIP Agreement, the Definitive Documents or the DIP Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver,

receiver and manager or interim receiver, or for a bankruptcy order against the Applicant and for the appointment of a trustee in bankruptcy of the Applicant; and

- (c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicant or the Property.

34. **THIS COURT ORDERS AND DECLARES** that the DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicant under the CCAA, or any proposal filed by the Applicant under the *Bankruptcy and Insolvency Act (Canada)* (the “**BIA**”), with respect to any advances made under the Definitive Documents.

35. **THIS COURT ORDERS AND DECLARES** that this Order is subject to provisional execution and that if any of the provisions of this Order in connection with the DIP Agreement, the Definitive Documents or the DIP Charge shall subsequently be stayed, modified, varied, amended, reversed or vacated in whole or in part (collectively, a “**Variation**”), such Variation shall not in any way impair, limit or lessen the priority, protections, rights or remedies of the DIP Lender, whether under this Order (as made prior to the Variation), under the DIP Agreement or the Definitive Documents with respect to any advances made or obligations incurred prior to the DIP Lender being given notice of the Variation, and the DIP Lender shall be entitled to rely on this Order as issued (including, without limitation, the DIP Charge) for all advances so made and other obligations set out in the DIP Agreement and the Definitive Documents.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

36. **THIS COURT ORDERS** that the priorities of the Administration Charge, the Directors’ Charge and the DIP Charge (the “**Charges**”), as among them, shall be as follows:

First – the Administration Charge (to the maximum amount of US\$1,000,000);

Second – the Directors’ Charge (to the maximum amount of US\$4,600,000); and

Third – the DIP Charge.

37. **THIS COURT ORDERS** that the filing, registration or perfection of the Charges shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

38. **THIS COURT ORDERS** that each of the Charges shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, “**Encumbrances**”) in favour of any Person except for any Person with a property perfected Encumbrance on the Property who did not receive notice of the Application. The Applicant shall be entitled, on a subsequent motion on notice to those Persons likely to be affected thereby, to seek priority of the Charges ahead of any Encumbrances over which the Charges have not obtained priority pursuant to this Order.

39. **THIS COURT ORDERS** that, except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicant shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges, unless the Applicant also obtains the prior written consent of the Monitor, the beneficiaries of the Administration Charge, the Directors’ Charge and the DIP Charge, or further Order of this Court.

40. **THIS COURT ORDERS** that the Administration Charge, the Directors’ Charge, the DIP Charge, the DIP Agreement and the Definitive Documents shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the “**Chargees**”) and/or the DIP Lender thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an “**Agreement**”) which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the DIP Agreement or the Definitive Documents shall create or be deemed to constitute a breach by the Applicant of any Agreement to which it is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicant entering into the DIP Agreement, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and

- (c) the payments made by the Applicant pursuant to this Order, the DIP Agreement or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

41. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicant's interest in such real property leases.

SERVICE AND NOTICE

42. **THIS COURT ORDERS** that the Monitor shall (a) without delay, publish in the Globe and Mail (National Edition), a notice containing the information prescribed under the CCAA, (b) within five (5) days after the date of this Order, (i) make this Order publicly available in the manner prescribed under the CCAA, (ii) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicant of more than \$1,000, and (iii) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

43. **THIS COURT ORDERS** that the Commercial List E-Service Guide (the "**Guide**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Guide (which can be found on the Commercial List website at <https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05 of the *Rules of Civil Procedure* (Ontario) (the "**Rules**"), this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules. Subject to Rule 3.01(d) of the Rules and paragraph 13 of the Guide, service of documents in accordance with the Guide will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: <http://cfcanada.fticonsulting.com/tacora>.

44. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Applicant and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Applicant's creditors or other interested parties at their respective addresses as last shown on the records of the Applicant and that any such service or distribution by courier, personal

delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

45. **THIS COURT ORDERS** that the Applicant and the Monitor and their counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices or other correspondence, by forwarding true copies thereof by electronic message to the Applicant's creditors or other interested parties and their advisors. Any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SORS/DORS).

SEALING

46. **THIS COURT ORDERS** that Confidential Exhibit "A" to the Bhandari Affidavit is hereby sealed pending further Order of the Court and shall not form part of the public record.

GENERAL

47. **THIS COURT ORDERS** that the Applicant or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

48. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicant, the Business or the Property.

49. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicant, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

50. **THIS COURT ORDERS** that each of the Applicant and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and

that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

51. **THIS COURT ORDERS** that a hearing for the balance of the relief sought by the Applicant in the Notice of Application is hereby scheduled before this Court for October **[20]**, 2023 at **[10:00 a.m.]** or such other date as determined by this Court.

52. **THIS COURT ORDERS** that any interested party (including the Applicant, the Monitor and the DIP Lender) may apply to this Court to vary or amend this Order not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

53. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.

54. **THIS COURT ORDERS** that this Order is effective from today's date and is enforceable without the need for entry and filing.

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985,
c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF TACORA RESOURCES INC.**

(Applicant)

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

PROCEEDINGS COMMENCED AT TORONTO

INITIAL ORDER

STIKEMAN ELLIOTT LLP
5300 Commerce Court West
199 Bay Street
Toronto, ON M5L 1B9

Ashley Taylor (LSO #39932E)
Tel: 416-869-5236
Email: ataylor@stikeman.com

Lee Nicholson (LSO #66412I)
Tel: 416-869-5604
Email: leenicholson@stikeman.com

Natasha Rambaran (LSO #80200N)
Tel: 416-869-5504
Email: nrambaran@stikeman.com

Philip Yang (LSO #82084O)
Tel: 416-869-5593
Email: pyang@stikeman.com

Counsel to Tacora Resources Inc.

TAB 5

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE ~~E~~ MADAM) ~~[WEEKDAY]~~ TUESDAY, THE ~~[#]~~ 10TH
JUSTICE KIMMEL) DAY OF ~~[MONTH]~~, ~~20~~ [YR] OCTOBER,
) 2023

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
TACORA RESOURCES INC.**

~~the "AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
[APPLICANT'S NAME] (Applicant)"~~

INITIAL ORDER

THIS APPLICATION, made by ~~the Applicant~~ Tacora Resources Inc. (the "Applicant"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") was heard this day ~~at 330 University Avenue, Toronto, Ontario~~ by judicial videoconference via Zoom.

ON READING the Notice of Application, the affidavit of ~~[NAME]~~ Joe Broking sworn ~~[DATE]~~ October 9, 2023, and the Exhibits thereto (the "Broking Affidavit"), the affidavit of Chetan Bhandari sworn October 9, 2023 (the "**Bhandari Affidavit**"), the consent of FTI Consulting Canada Inc. ("FTI") to act as the Court-appointed monitor of the Applicant (in such capacity, the "**Monitor**"), the Pre-Filing Report of FTI, as the proposed Monitor, and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for ~~[NAMES], no one~~ the Applicant, counsel for FTI and such other counsel and parties as listed on the Participant Information Form, with no one else appearing ~~for [NAME]~~¹ although duly served as appears from the affidavit of service of ~~[NAME]~~ sworn ~~[DATE]~~ and on reading the consent of [MONITOR'S NAME] to act as the Monitor Natasha Rambaran, filed,

¹Include names of secured creditors or other persons who must be served before certain relief in this model Order may be granted. See, for example, CCAA Sections 11.2(1), 11.3(1), 11.4(1), 11.51(1), 11.52(1), 32(1), 32(3), 33(2) and 36(2).

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated² so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPLICATION

2. **THIS COURT ORDERS AND DECLARES** that the Applicant is a company to which the CCAA applies.

PLAN OF ARRANGEMENT

~~3. THIS COURT ORDERS that the Applicant shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "Plan").~~

POSSESSION OF PROPERTY AND OPERATIONS

~~3.~~ **4. THIS COURT ORDERS** that the Applicant shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"). Subject to further Order of this Court, the Applicant shall continue to carry on business in a manner consistent with the preservation of its business (the "**Business**") and Property. The Applicant is authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

~~4.~~ **5. THIS COURT ORDERS** that, subject to the terms of the DIP Agreement (as defined below), the Applicant shall be entitled to continue to utilize the **central** cash management system³ currently in place as described in the Broking Affidavit of [NAME] sworn [DATE] or replace it with another substantially similar **central** cash management system (the "**Cash Management System**") and that

~~²If service is effected in a manner other than as authorized by the Ontario Rules of Civil Procedure, an order validating irregular service is required pursuant to Rule 16.08 of the Rules of Civil Procedure and may be granted in appropriate circumstances.~~

~~³This provision should only be utilized where necessary, in view of the fact that central cash management systems often operate in a manner that consolidates the cash of applicant companies. Specific attention should be paid to cross-border and inter-company transfers of cash.~~

any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicant of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicant, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under ~~the~~ any Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System. **]**

5. ~~6.~~ **THIS COURT ORDERS** that, subject to the terms of the DIP Agreement, the Applicant shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and
- (b) the fees and disbursements of any Assistants retained or employed by the Applicant in respect of these proceedings, at their standard rates and charges.

6. ~~7.~~ **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein and subject to the terms of the DIP Agreement, the Applicant shall be entitled but not required to pay all reasonable expenses incurred by the Applicant in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), and maintenance and security services; **and**
- (b) payment for goods or services actually supplied to the Applicant following the date of this Order; and
- (c) payments and/or advances to Tacora Resources LLC to pay salaries and wages for U.S. based employees and rent for Tacora's head office located in Grand Rapids, Minnesota.

7. ~~8.~~ **THIS COURT ORDERS** that the Applicant shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, ~~(a) Quebec Pension Plan,~~ and (iii) income taxes;
- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicant in connection with the sale of goods and services by the Applicant, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, and
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicant.

8. ~~9.~~ **THIS COURT ORDERS** that until a real property lease is disclaimed ~~[or resiliated]~~⁴ in accordance with the CCAA, the Applicant shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Applicant and the landlord from time to time ("**Rent**"), for the period commencing from and including the date of this Order, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

9. ~~10.~~ **THIS COURT ORDERS** that, except as specifically permitted herein, the Applicant is hereby directed, until further Order of this Court: (a) ~~10.~~ to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicant to any of its creditors as of this date; (b) ~~10.~~ to grant no security interests, trust, liens, charges or encumbrances upon or in respect of

⁴ ~~The term "resiliate" should remain if there are leased premises in the Province of Quebec, but can otherwise be removed.~~

any of its Property; and (c) ~~10.~~ to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

~~11. — THIS COURT ORDERS that the Applicant shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the Definitive Documents (as hereinafter defined), have the right to:~~

~~(a) — permanently or temporarily cease, downsize or shut down any of its business or operations, [and to dispose of redundant or non-material assets not exceeding \$• in any one transaction or \$• in the aggregate];⁵~~

~~(b) — [terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate]; and~~

~~(c) — pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing;~~

~~all of the foregoing to permit the Applicant to proceed with an orderly restructuring of the Business (the “Restructuring”).~~

~~12. — THIS COURT ORDERS that the Applicant shall provide each of the relevant landlords with notice of the Applicant’s intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Applicant’s entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicant, or by further Order of this Court upon application by the~~

⁵ Section 36 of the amended CCAA does not seem to contemplate a pre-approved power to sell (see subsection 36(3)) and moreover requires notice (subsection 36(2)) and evidence (subsection 36(7)) that may not have occurred or be available at the initial CCAA hearing.

~~Applicant on at least two (2) days notice to such landlord and any such secured creditors. If the Applicant disclaims **[or resiliates]** the lease governing such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer **[or resiliation]** of the lease shall be without prejudice to the Applicant's claim to the fixtures in dispute.~~

~~13. — THIS COURT ORDERS that if a notice of disclaimer **[or resiliation]** is delivered pursuant to Section 32 of the CCAA, then 10. during the notice period prior to the effective time of the disclaimer **[or resiliation]**, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicant and the Monitor 24 hours' prior written notice, and 11. at the effective time of the disclaimer **[or resiliation]**, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicant in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.~~

NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY

12. ~~14.~~ **THIS COURT ORDERS** that until and including **[DATE – MAX. 30 DAYS]** October 16, 2023, or such later date as this Court may order (the “**Stay Period**”), no proceeding or enforcement process in any court or tribunal (each, a “**Proceeding**”) shall be commenced or continued against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicant and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicant or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

13. ~~15.~~ **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being “**Persons**” and each being a “**Person**”) against or in respect of the Applicant or the

Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall ~~15.~~ (a) empower the Applicant to carry on any business which the Applicant is not lawfully entitled to carry on, ~~15.~~(b) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, ~~15.~~(c) prevent the filing of any registration to preserve or perfect a security interest, or ~~15.~~(d) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

14. ~~16.~~ **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Applicant, except with the written consent of the Applicant and the Monitor, or leave of this Court.

NO PRE-FILING VS POST-FILING SET-OFF

15. **THIS COURT ORDERS** that, no Person shall be entitled to set off any amounts that: (a) are or may become due to the Applicant in respect of obligations arising prior to the date hereof with any amounts that are or may become due from the Applicant in respect of obligations arising on or after the date of this Order; or (b) are or may become due from the Applicant in respect of obligations arising prior to the date hereof with any amounts that are or may become due to the Applicant in respect of obligations arising on or after the date of this Order, in each case without the consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall prejudice any arguments any person may want to make in seeking leave of the Court or following the granting of such leave.

CONTINUATION OF SERVICES

16. ~~17.~~ **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Applicant or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Business or the Applicant, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicant, and that the Applicant shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicant in accordance with normal payment practices of the Applicant or

such other practices as may be agreed upon by the supplier or service provider and each of the Applicant and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

17. ~~18.~~ **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicant. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.⁶

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

18. ~~19.~~ **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicant with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicant whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicant, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicant or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

19. ~~20.~~ **THIS COURT ORDER⁷**RS that the Applicant shall indemnify its directors and officers against obligations and liabilities that they may incur as directors or officers of the Applicant after the commencement of the within proceedings, including with respect to employee vacation pay which may have accrued prior to the commencement of these proceedings, but which obligation may become due and payable after the commencement of these proceedings. except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

⁶ This non-derogation provision has acquired more significance due to the recent amendments to the CCAA, since a number of actions or steps cannot be stayed, or the stay is subject to certain limits and restrictions. See, for example, CCAA Sections 11.01, 11.04, 11.06, 11.07, 11.08, 11.1(2) and 11.5(1).

⁷ The broad indemnity language from Section 11.51 of the CCAA has been imported into this paragraph. The granting of the indemnity (whether or not secured by a Directors' Charge), and the scope of the indemnity, are discretionary matters that should be addressed with the Court.

20. ~~21.~~ **THIS COURT ORDERS** that the directors and officers of the Applicant shall be entitled to the benefit of and are hereby granted a charge (the “**Directors’ Charge**”)⁸ on the Property, which charge shall not exceed an aggregate amount of ~~US\$4,600,000~~, as security for the indemnity provided in paragraph ~~[20]~~19 of this Order. The Directors’ Charge shall have the priority set out in paragraphs ~~[38]~~38 and ~~[40]~~40 herein.

21. ~~22.~~ **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) ~~22.~~ no insurer shall be entitled to be subrogated to or claim the benefit of the Directors’ Charge, and (b) ~~22.~~ the Applicant’s directors and officers shall only be entitled to the benefit of the Directors’ Charge to the extent that they do not have coverage under any directors’ and officers’ insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph ~~[20]~~19 of this Order.

APPOINTMENT OF MONITOR

22. ~~23.~~ **THIS COURT ORDERS** that ~~[MONITOR’S NAME]~~ FTI Consulting Canada Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicant with the powers and obligations set out in the CCAA or set forth herein and that the Applicant and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicant pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor’s functions.

23. ~~24.~~ **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Applicant’s receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) assist the Applicant, to the extent required by the Applicant, in its dissemination, to the DIP Lender and ~~its counsel on a [TIME INTERVAL] basis of financial and other information as agreed to their counsel, pursuant to and in accordance with the DIP Agreement (as defined herein), or as may otherwise be agreed~~ between the Applicant

~~⁸ Section 11.51(3) provides that the Court may not make this security/charging order if in the Court’s opinion the Applicant could obtain adequate indemnification insurance for the director or officer at a reasonable cost.~~

~~and the DIP Lender which may be used in these proceedings including reporting on a basis to be agreed with~~ the DIP Lender;

- (d) advise the Applicant in its preparation of the Applicant's cash flow statements and reporting required by the DIP Lender under the DIP Agreement, which information shall be reviewed with the Monitor and delivered to the DIP Lender and ~~its counsel on a periodic basis, but not less than [TIME INTERVAL], or as otherwise agreed to by the DIP Lender;~~ their counsel in accordance with the DIP Agreement;
- ~~(e) — advise the Applicant in its development of the Plan and any amendments to the Plan;~~
- ~~(f) — assist the Applicant, to the extent required by the Applicant, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;~~
- ~~(e)~~ (g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicant, to the extent that is necessary to adequately assess the Applicant's business and financial affairs or to perform its duties arising under this Order;
- (f) hold and administer funds in connection with arrangements made among the Applicant, any counterparties and the Monitor or by Order of this Court;
- (g) ~~(h)~~ be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and
- (h) ~~(i)~~ perform such other duties as are required by this Order or by this Court from time to time.

24. ~~25.~~ **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

25. ~~26.~~ **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance

contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, ~~or the Ontario Occupational Health and Safety Act~~ and, the Newfoundland Environmental Protection Act, the Newfoundland Water Resources Act, the Newfoundland Occupational Health and Safety Act, and the regulations thereunder (the “**Environmental Legislation**”), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor’s duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

26. ~~27.~~ **THIS COURT ORDERS** ~~that~~ that the Monitor shall provide any creditor of the Applicant and the DIP Lender with information provided by the Applicant in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicant is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicant may agree.

27. ~~28.~~ **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

ADMINISTRATION CHARGE

28. ~~29.~~ **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Applicant shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to, on or subsequent to the date of this Order, by the Applicant as part of the costs of these proceedings. The Applicant is hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicant on a ~~[TIME INTERVAL]~~ bi-weekly basis and, in addition, the Applicant is hereby authorized to pay to the Monitor, counsel to the Monitor, ~~—~~ and counsel to the Applicant, ~~—~~ reasonable retainers ~~in the amount[s] of \$●—[,~~ **respectively,]** to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

29. ~~30.~~ **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

30. ~~31.~~ **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, ~~if any, and~~ the Applicant's counsel and Greenhill & Co. Canada Ltd. ("Greenhill") for its Monthly Advisory Fee (as defined in the Engagement Letter dated as of January 23, 2023 between the Applicant and Greenhill) shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of ~~\$●~~ US\$1,000,000, as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs ~~[38]~~ 38 and ~~[40]~~ 40 hereof.

DIP FINANCING

31. ~~32.~~ **THIS COURT ORDERS** that the Applicant is hereby authorized and empowered to obtain and borrow ~~under a~~ a super-priority, debtor-in-possession, non-revolving credit facility ~~from [DIP LENDER'S NAME]~~ (the "DIP Facility") under a DIP Loan Agreement dated October 9, 2023 (the "**DIP Agreement**") from Cargill, Incorporated (in such capacity, the "**DIP Lender**") in order to finance the Applicant's working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under ~~such credit facility~~ the DIP Agreement shall not exceed ~~\$●~~ the principal amount of US\$15,500,000 and Post-Filing Credit Extensions (as defined in the DIP Agreement) shall not exceed the principal amount of US\$20,000,000, unless permitted by further Order of this Court.

32. ~~33.~~ **THIS COURT ORDERS** ~~THAT such credit facility~~ that the DIP Facility shall be on the terms and subject to the conditions set forth in the ~~commitment letter between the Applicant and the DIP Lender dated as of [DATE]~~ (the "**Commitment Letter**"), filed DIP Agreement attached as Exhibit "K" to the Broking Affidavit.

33. ~~34.~~ **THIS COURT ORDERS** that the Applicant is hereby authorized and empowered to execute and deliver such ~~credit agreements, mortgages, charges, hypothecs and~~ security documents, ~~guarantees~~ and other definitive documents (collectively, the "**Definitive Documents**"), as are contemplated by the ~~Commitment Letter~~ DIP Agreement or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Applicant is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and

pursuant to the ~~Commitment Letter~~ DIP Agreement and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

34. ~~35.~~ **THIS COURT ORDERS** that the DIP Lender and Cargill International Trading Pte Ltd. ("CITPL") shall be entitled to the benefit of and is hereby granted a charge (the "**DIP Lender's Charge**") on the Property, which DIP ~~Lender's~~ Charge shall not secure an obligation that exists before this Order is made, and in the case of CITPL, shall only secure Post-Filing Credit Extensions. The DIP ~~Lender's~~ Charge shall have the priority set out in paragraphs ~~[38]~~ 38 and ~~[40]~~ 40 hereof.

35. ~~36.~~ **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP ~~Lender's~~ Charge or any of the Definitive Documents;
- (b) upon the occurrence of an event of default under the DIP Agreement or the Definitive Documents ~~or the DIP Lender's Charge~~, the DIP Lender may cease making advances to the Applicant and, upon ~~four (4) business days'~~ four (4) business days' notice to the Applicant and the Monitor, ~~may~~ exercise any and all of its rights and remedies against the Applicant or the Property under or pursuant to the ~~Commitment Letter~~ DIP Agreement, Definitive Documents and the DIP ~~Lender's~~ Charge, including without limitation, ~~to cease making advances to the Applicant and~~ set off and/or consolidate any amounts owing by the DIP Lender to the Applicant against the obligations of the Applicant to the DIP Lender under the ~~Commitment Letter~~ DIP Agreement, the Definitive Documents or the DIP ~~Lender's~~ Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicant and for the appointment of a trustee in bankruptcy of the Applicant; and
- (c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicant or the Property.

36. ~~37.~~ **THIS COURT ORDERS AND DECLARES** that the DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicant under the CCAA, or any proposal filed by the Applicant under the *Bankruptcy and Insolvency Act* ~~of (Canada)~~ (the "**BIA**"), with respect to any advances made under the Definitive Documents.

37. **THIS COURT ORDERS AND DECLARES** that this Order is subject to provisional execution and that if any of the provisions of this Order in connection with the DIP Agreement, the Definitive Documents or the DIP Charge shall subsequently be stayed, modified, varied, amended, reversed or vacated in whole or in part (collectively, a "**Variation**"), such Variation shall not in any way impair, limit or lessen the priority, protections, rights or remedies of the DIP Lender, whether under this Order (as made prior to the Variation), under the DIP Agreement or the Definitive Documents with respect to any advances made or obligations incurred prior to the DIP Lender being given notice of the Variation, and the DIP Lender shall be entitled to rely on this Order as issued (including, without limitation, the DIP Charge) for all advances so made and other obligations set out in the DIP Agreement and the Definitive Documents.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

38. ~~38.~~ **THIS COURT ORDERS** that the priorities of the ~~Directors' Charge, the~~ Administration Charge, the Directors' Charge and the DIP ~~Lender's~~ Charge (the "Charges"), as among them, shall be as follows⁹:

First – the Administration Charge (to the maximum amount of ~~\$●~~US\$1,000,000);

Second – ~~DIP Lender's Charge; and Third –~~ the Directors' Charge (to the maximum amount of ~~\$●~~US\$4,600,000); and

Third – the DIP Charge.

39. ~~39.~~ **THIS COURT ORDERS** that the filing, registration or perfection of the ~~Directors' Charge, the Administration Charge or the DIP Lender's Charge (collectively, the "Charges")~~ shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

40. ~~40.~~ **THIS COURT ORDERS** that each of the ~~Directors' Charge, the Administration Charge and the DIP Lender's Charge (all as constituted and defined herein)~~ Charges shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**")

⁹~~The ranking of these Charges is for illustration purposes only, and is not meant to be determinative. This ranking may be subject to negotiation, and should be tailored to the circumstances of the case before the Court. Similarly, the quantum and caps applicable to the Charges should be considered in each case. Please also note that the CCAA now permits Charges in favour of critical suppliers and others, which should also be incorporated into this Order (and the rankings, above), where appropriate.~~

in favour of any Person except for any Person with a property perfected Encumbrance on the Property who did not receive notice of the Application. The Applicant shall be entitled, on a subsequent motion on notice to those Persons likely to be affected thereby, to seek priority of the Charges ahead of any Encumbrances over which the Charges have not obtained priority pursuant to this Order.

41. ~~41.~~ **THIS COURT ORDERS** that, except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicant shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the ~~Directors' Charge, the Administration Charge or the DIP Lender's Charge~~Charges, unless the Applicant also obtains the prior written consent of the Monitor, the ~~DIP Lender and the~~beneficiaries of the Administration Charge, the Directors' Charge and the ~~Administration~~DIP Charge, or further Order of this Court.

42. ~~42.~~ **THIS COURT ORDERS** that the ~~Directors' Charge, the~~Administration Charge, the ~~Commitment Letter~~Directors' Charge, the DIP Charge, the DIP Agreement and the Definitive Documents ~~and the DIP Lender's Charge~~ shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "Chargees") and/or the DIP Lender thereunder shall not otherwise be limited or impaired in any way by (a)~~42.~~ the pendency of these proceedings and the declarations of insolvency made herein; (b)~~42.~~ any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c)~~42.~~ the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d)~~42.~~ the provisions of any federal or provincial statutes; or (e)~~42.~~ any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "Agreement") which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the ~~Commitment Letter~~DIP Agreement or the Definitive Documents shall create or be deemed to constitute a breach by the Applicant of any Agreement to which it is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicant entering into the ~~Commitment Letter~~DIP Agreement, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and

- (c) the payments made by the Applicant pursuant to this Order, the ~~Commitment Letter DIP Agreement~~ or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

43. ~~43.~~ **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicant's interest in such real property leases.

SERVICE AND NOTICE

44. ~~44.~~ **THIS COURT ORDERS** that the Monitor shall ~~44. (a)~~ without delay, publish in ~~[newspapers specified by the Court]~~ the Globe and Mail (National Edition), a notice containing the information prescribed under the CCAA, ~~44. (b)~~ within five (5) days after the date of this Order, (i) make this Order publicly available in the manner prescribed under the CCAA, ~~44. (ii)~~ send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicant of more than \$~~10001,000,-~~ and ~~44. (iii)~~ prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

45. ~~45.~~ **THIS COURT ORDERS** that the ~~E-Service Protocol of the~~ Commercial List E-Service Guide (the "~~Protocol~~Guide") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the ~~Protocol~~ Guide (which can be found on the Commercial List website at ~~http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/~~) ~~—~~ https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-commercial/) shall be valid and effective service. Subject to Rule 17.05 of the Rules of Civil Procedure (Ontario) (the "Rules"), this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the ~~Rules of Civil Procedure~~. Subject to Rule 3.01(d) of the ~~Rules of Civil Procedure~~ and paragraph ~~21-13~~ of the Protocol Guide, service of documents in accordance with the Protocol Guide will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL ~~'<@>'~~: http://cfcanada.fticonsulting.com/tacora.

46. ~~46.~~ **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Applicant and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Applicant's creditors or other interested parties at their respective addresses as

last shown on the records of the Applicant and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

47. THIS COURT ORDERS that the Applicant and the Monitor and their counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices or other correspondence, by forwarding true copies thereof by electronic message to the Applicant's creditors or other interested parties and their advisors. Any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SORS/DORS).

SEALING

48. THIS COURT ORDERS that Confidential Exhibit "A" to the Bhandari Affidavit is hereby sealed pending further Order of the Court and shall not form part of the public record.

GENERAL

49. **THIS COURT ORDERS** that the Applicant or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

50. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicant, the Business or the Property.

51. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicant, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

52. **THIS COURT ORDERS** that each of the Applicant and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and

that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

53. THIS COURT ORDERS that a hearing for the balance of the relief sought by the Applicant in the Notice of Application is hereby scheduled before this Court for October [20], 2023 at [10:00 a.m.] or such other date as determined by this Court.

54. ~~51.~~ THIS COURT ORDERS that any interested party (including the Applicant ~~and~~ the Monitor and the DIP Lender) may apply to this Court to vary or amend this Order ~~on~~ not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

55. ~~52.~~ THIS COURT ORDERS that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.

56. THIS COURT ORDERS that this Order is effective from today's date and is enforceable without the need for entry and filing.

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985,
c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF TACORA RESOURCES INC.

(Applicant)

Court File No. _____

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

PROCEEDINGS COMMENCED AT TORONTO

INITIAL ORDER

STIKEMAN ELLIOTT LLP
5300 Commerce Court West
199 Bay Street
Toronto, ON M5L 1B9

Ashley Taylor (LSO #39932E)
Tel: 416-869-5236
Email: ataylor@stikeman.com

Lee Nicholson (LSO #66412I)
Tel: 416-869-5604
Email: leenicholson@stikeman.com

Natasha Rambaran (LSO #80200N)
Tel: 416-869-5504
Email: nrambaran@stikeman.com

Philip Yang (LSO #82084O)
Tel: 416-869-5593
Email: pyang@stikeman.com

Counsel to Tacora Resources Inc.

TAB 6

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE MADAM) [FRIDAY], THE [20TH]
JUSTICE KIMMEL) DAY OF OCTOBER, 2023
)

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
TACORA RESOURCES INC.**

(Applicant)

AMENDED AND RESTATED INITIAL ORDER

THIS APPLICATION, made by Tacora Resources Inc. (the "**Applicant**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCA**") for an Order amending and restating the initial order issued by the Court on October 10, 2023 (the "**Filing Date**"), substantially in the form included at the Applicant's Application Record was heard this day by judicial videoconference via Zoom.

ON READING the Application Record of the Applicant dated October 9, 2023, the Motion Record of the Applicant dated October ●, 2023, the affidavits of Joe Broking sworn October 9, 2023 (the "**Broking Affidavit**") and October ●, 2023 (the "**Second Broking Affidavit**"), the affidavit of Chetan Bhandari sworn October 9, 2023 (the "**Bhandari Affidavit**"), the consent of FTI Consulting Canada Inc. ("**FTI**") to act as Court-appointed monitor of the Applicant (in such capacity, the "**Monitor**"), the Pre-Filing Report and First Report of FTI, and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for the Applicant, counsel for the Monitor and such other counsel and parties as listed on the Participant Information Form, with no one else appearing although duly served as appears from the affidavit of service of Natasha Rambaran, filed,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPLICATION

2. **THIS COURT ORDERS AND DECLARES** that the Applicant is a company to which the CCAA applies.

PLAN OF ARRANGEMENT

3. **THIS COURT ORDERS** that the Applicant shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "**Plan**").

POSSESSION OF PROPERTY AND OPERATIONS

4. **THIS COURT ORDERS** that the Applicant shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"). Subject to further Order of this Court, the Applicant shall continue to carry on business in a manner consistent with the preservation of its business (the "**Business**") and Property. The Applicant is authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

5. **THIS COURT ORDERS** that, subject to the terms of the DIP Agreement (as defined below), the Applicant shall be entitled to continue to utilize the cash management system currently in place as described in the Broking Affidavit or replace it with another substantially similar cash management system (the "**Cash Management System**") and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicant of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any

Person (as hereinafter defined) other than the Applicant, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under any Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

6. **THIS COURT ORDERS** that, subject to the terms of the DIP Agreement, the Applicant shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and
- (b) the fees and disbursements of any Assistants retained or employed by the Applicant in respect of these proceedings, at their standard rates and charges.

7. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein and subject to the terms of the DIP Agreement, the Applicant shall be entitled but not required to pay all reasonable expenses incurred by the Applicant in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers' insurance), and maintenance and security services;
- (b) payment for goods or services actually supplied to the Applicant following the date of this Order; and
- (c) payments on behalf of Tacora Resources LLC to pay salaries and wages for U.S. based employees and rent for the Applicant's head office located in Grand Rapids, Minnesota.

8. **THIS COURT ORDERS** that the Applicant shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of employment insurance, Canada Pension Plan, and income taxes;
- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicant in connection with the sale of goods and services by the Applicant, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, and
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicant.

9. **THIS COURT ORDERS** that until a real property lease is disclaimed or resiliated in accordance with the CCAA, the Applicant shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Applicant and the landlord from time to time ("**Rent**"), for the period commencing from and including the date of this Order, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

10. **THIS COURT ORDERS** that, except as specifically permitted herein, the Applicant is hereby directed, until further Order of this Court: to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicant to any of its creditors as of this date; to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

11. **THIS COURT ORDERS** that the Applicant shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the DIP Agreement and the Definitive Documents (as hereinafter defined), have the right to:

- (a) permanently or temporarily cease, downsize or shut down any of its business or operations, and to dispose of redundant or non-material assets not exceeding US\$1,000,000 in any one transaction or US\$5,000,000 in the aggregate;
- (b) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate; and
- (c) pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing;

all of the foregoing to permit the Applicant to proceed with an orderly restructuring of the Business (the “**Restructuring**”).

12. **THIS COURT ORDERS** that the Applicant shall provide each of the relevant landlords with notice of the Applicant’s intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Applicant’s entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicant, or by further Order of this Court upon application by the Applicant on at least two (2) days notice to such landlord and any such secured creditors. If the Applicant disclaims the lease governing such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer of the lease shall be without prejudice to the Applicant’s claim to the fixtures in dispute.

13. **THIS COURT ORDERS** that if a notice of disclaimer is delivered pursuant to Section 32 of the CCAA, then during the notice period prior to the effective time of the disclaimer, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicant and the Monitor 24 hours’ prior written notice, and at the effective time of the

disclaimer, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicant in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY

14. **THIS COURT ORDERS** that until and including February 9, 2024, or such later date as this Court may order (the “**Stay Period**”), no proceeding or enforcement process in any court or tribunal (each, a “**Proceeding**”) shall be commenced or continued against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicant and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicant or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

15. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being “**Persons**” and each being a “**Person**”) against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall (a) empower the Applicant to carry on any business which the Applicant is not lawfully entitled to carry on, (b) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (c) prevent the filing of any registration to preserve or perfect a security interest, or (d) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

16. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Applicant, except with the written consent of the Applicant and the Monitor, or leave of this Court.

NO PRE-FILING VS POST-FILING SET-OFF

17. **THIS COURT ORDERS** that, no Person shall be entitled to set off any amounts that: (a) are or may become due to the Applicant in respect of obligations arising prior to the date hereof with any amounts that are or may become due from the Applicant in respect of obligations arising on or after the date of this Order; or (b) are or may become due from the Applicant in respect of obligations arising prior to the date hereof with any amounts that are or may become due to the Applicant in respect of obligations arising on or after the date of this Order, in each case without the consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall prejudice any arguments any person may want to make in seeking leave of the Court or following the granting of such leave.

CONTINUATION OF SERVICES

18. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Applicant or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Business or the Applicant, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicant, and that the Applicant shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicant in accordance with normal payment practices of the Applicant or such other practices as may be agreed upon by the supplier or service provider and each of the Applicant and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

19. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicant. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

20. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicant with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicant whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicant, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicant or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

21. **THIS COURT ORDERS** that the Applicant shall indemnify its directors and officers against obligations and liabilities that they may incur as directors or officers of the Applicant after the commencement of the within proceedings, including with respect to employee vacation pay which may have accrued prior to the commencement of these proceedings, but which obligation may become due and payable after the commencement of these proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

22. **THIS COURT ORDERS** that the directors and officers of the Applicant shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of US\$5,200,000, as security for the indemnity provided in paragraph 21 of this Order. The Directors' Charge shall have the priority set out in paragraphs 46 and 49 herein.

23. **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and the Applicant's directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 21 of this Order.

ENGAGEMENT OF GREENHILL

24. **THIS COURT ORDERS** that the engagement of Greenhill & Co. Canada Ltd. ("**Greenhill**") by the Applicant as investment banker pursuant to the engagement letter dated as of January 23,

2023 (the “**Greenhill Engagement Letter**”) and payment by the Applicant of the Monthly Advisory Fee (as defined in the Greenhill Engagement Letter) and the Transaction Fee (as defined in the Broking Affidavit) are hereby approved, subject to the priority provided for herein.

25. **THIS COURT ORDERS** that Greenhill shall be entitled to the benefit of and are hereby granted a charge (the “**Transaction Fee Charge**”) on the Property as security for the Transaction Fee, which charge shall not exceed an aggregate amount of US\$5,600,000. The Transaction Fee Charge shall have the priority set out in paragraphs 46 and 49 herein.

26. **THIS COURT ORDERS** that Greenhill shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of the Greenhill Engagement Letter, save and except for any gross negligence or wilful misconduct on its part.

APPOINTMENT OF MONITOR

27. **THIS COURT ORDERS** that FTI. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicant with the powers and obligations set out in the CCAA or set forth herein and that the Applicant and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicant pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor’s functions.

28. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Applicant’s receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) assist the Applicant, to the extent required by the Applicant, in its dissemination, to the DIP Lender and their counsel, pursuant to and in accordance with the DIP Agreement (as defined herein), or as may otherwise be agreed between the Applicant and the DIP Lender;
- (d) advise the Applicant in its preparation of the Applicant’s cash flow statements and reporting required by the DIP Lender under the DIP Agreement, which information

shall be reviewed with the Monitor and delivered to the DIP Lender and their counsel in accordance with the DIP Agreement;

- (e) advise the Applicant in its development of the Plan and any amendments to the Plan;
- (f) assist the Applicant, to the extent required by the Applicant, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicant, to the extent that is necessary to adequately assess the Applicant's business and financial affairs or to perform its duties arising under this Order;
- (h) hold and administer funds in connection with arrangements made among the Applicant, any counterparties and the Monitor or by Order of this Court;
- (i) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and
- (j) perform such other duties as are required by this Order or by this Court from time to time.

29. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

30. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, the *Ontario Occupational Health and Safety Act*, the *Newfoundland Environmental Protection Act*, the

Newfoundland Water Resources Act, the *Newfoundland Occupational Health and Safety Act*, and the regulations thereunder (the “**Environmental Legislation**”), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor’s duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

31. **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Applicant and the DIP Lender with information provided by the Applicant in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicant is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicant may agree.

32. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

ADMINISTRATION CHARGE

33. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Applicant shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to, on or subsequent to the date of this Order, by the Applicant as part of the costs of these proceedings. The Applicant is hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicant on a bi-weekly basis and, in addition, the Applicant is hereby authorized to pay to the Monitor, counsel to the Monitor and counsel to the Applicant reasonable retainers to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

34. **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

35. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, the Applicant's counsel and Greenhill for its Monthly Advisory Fee (as defined by the Greenhill Engagement Letter) shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of US\$1,000,000, as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 46 and 49 hereof.

DIP FINANCING

36. **THIS COURT ORDERS** that the Applicant is hereby authorized and empowered to obtain and borrow a super-priority, debtor-in-possession, non-revolving credit facility (the "**DIP Facility**") under a DIP Loan Agreement dated October 9, 2023 (the "**DIP Agreement**") from Cargill Inc. (collectively, in such capacity, the "**DIP Lender**") in order to finance the Applicant's working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under the DIP Agreement shall not exceed the principal amount of US\$75,000,000 and Post-Filing Credit Extensions (as defined in the DIP Agreement) shall not exceed the principal amount of US\$20,000,000, unless permitted by further Order of this Court.

37. **THIS COURT ORDERS** that the DIP Facility shall be on the terms and subject to the conditions set forth in the DIP Agreement attached as Exhibit "K" to the Broking Affidavit.

38. **THIS COURT ORDERS** that the Applicant is hereby authorized and empowered to execute and deliver such security documents and other definitive documents (collectively, the "**Definitive Documents**"), as are contemplated by the DIP Agreement or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Applicant is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the DIP Agreement and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

39. **THIS COURT ORDERS** that the DIP Lender and Cargill International Trading Pte Ltd. ("**CITPL**") shall be entitled to the benefit of and is hereby granted a charge (the "**DIP Charge**") on the Property, which DIP Charge shall not secure an obligation that exists before this Order is made, and in the case of CITPL, shall only secure Post-Filing Credit Extensions. The DIP Charge shall have the priority set out in paragraphs 46 and 49 hereof.

40. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:
- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Charge or any of the Definitive Documents;
 - (b) upon the occurrence of an event of default under the DIP Agreement or the Definitive Documents, the DIP Lender may cease making advances to the Applicant upon four (4) business days' notice to the Applicant and the Monitor, exercise any and all of its rights and remedies against the Applicant or the Property under or pursuant to the DIP Agreement, Definitive Documents and the DIP Charge, including without limitation, set off and/or consolidate any amounts owing by the DIP Lender to the Applicant against the obligations of the Applicant to the DIP Lender under the DIP Agreement, the Definitive Documents or the DIP Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicant and for the appointment of a trustee in bankruptcy of the Applicant; and
 - (c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicant or the Property.

41. **THIS COURT ORDERS AND DECLARES** that the DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicant under the CCAA, or any proposal filed by the Applicant under the *Bankruptcy and Insolvency Act (Canada)* (the "**BIA**"), with respect to any advances made under the Definitive Documents.

42. **THIS COURT ORDERS AND DECLARES** that this Order is subject to provisional execution and that if any of the provisions of this Order in connection with the DIP Agreement, the Definitive Documents or the DIP Charge shall subsequently be stayed, modified, varied, amended, reversed or vacated in whole or in part (collectively, a "**Variation**"), such Variation shall not in any way impair, limit or lessen the priority, protections, rights or remedies of the DIP Lender, whether under this Order (as made prior to the Variation), under the DIP Agreement or the Definitive Documents with respect to any advances made or obligations incurred prior to the DIP Lender being given notice of the Variation, and the DIP Lender shall be entitled to rely on this Order as

issued (including, without limitation, the DIP Charge) for all advances so made and other obligations set out in the DIP Agreement and the Definitive Documents.

KEY EMPLOYEE RETENTION PLAN

43. **THIS COURT ORDERS** that the Key Employee Retention Plan (the “**KERP**”), as described in the Broking Affidavit and the Second Broking Affidavit, is hereby approved and the Applicant is authorized to make payments contemplated thereunder in accordance with the terms and conditions of the KERP.

44. **THIS COURT ORDERS** that payments made by the Applicant pursuant to the KERP do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

45. **THIS COURT ORDERS** that the Applicant is authorized to pay up to US\$3,035,000 to the Monitor to hold in a segregated account (the “**KERP Funds**”) and the key employees referred to in the KERP (the “**Key Employees**”) shall be entitled to the benefit of and are hereby granted a charge on the KERP Funds (the “**KERP Charge**”), which charge shall not exceed an aggregate amount of US\$3,035,000 to secure any payments to the Key Employees under the KERP. The KERP Charge shall have the priority set out in paragraphs 46 and 49 hereof. The Monitor shall not be responsible for making the payments to the Key Employees under the KERP; paying any tax withholdings or remittances payable to any tax authorities or otherwise in respect of the KERP; or reporting or making disclosure with respect to the KERP to any taxing authorities or otherwise.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

46. **THIS COURT ORDERS** that the priorities of the Administration Charge, the Directors’ Charge, the Transaction Fee Charge and the DIP Charge (collectively, with the KERP Charge, the “**Charges**”), as among them, as against the Property other than the KERP Funds, shall be as follows:

First – the Administration Charge (to the maximum amount of US\$1,000,000);

Second – the Directors’ Charge (to the maximum amount of US\$5,200,000);

Third – the Transaction Fee Charge (to the maximum amount of US\$5,600,000); and

Fourth – the DIP Charge.

47. **THIS COURT ORDERS** that the KERP Charge (to the maximum amount of US\$3,035,000) shall rank first solely as against the KERP Funds and the other Charges shall rank subordinate to the KERP Charge as against the KERP Funds in the priorities set out in paragraph 46.

48. **THIS COURT ORDERS** that the filing, registration or perfection of the Charges shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

49. **THIS COURT ORDERS** that each of the Charges shall constitute a charge on the Property, and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person, except for the portion of the Transaction Fee Charge which ranks *pari passu* basis with the Senior Priority Notes and Senior Priority Advances.

50. **THIS COURT ORDERS** that, except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicant shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with any of the Charges, unless the Applicant also obtains the prior written consent of the Monitor, the beneficiaries of the Administration Charge, the Directors' Charge, DIP Charge and the KERP Charge, or further Order of this Court.

51. **THIS COURT ORDERS** that the Administration Charge, the Directors' Charge, the KERP Charge, the Transaction Fee Charge, the DIP Charge, the DIP Agreement and the Definitive Documents shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") and/or the DIP Lender thereunder shall not otherwise be limited or impaired in any way by the pendency of these proceedings and the declarations of insolvency made herein; any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; the filing of any assignments for the general benefit of creditors made pursuant to the BIA; the provisions of any federal or provincial statutes; or any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the DIP Agreement or the Definitive Documents shall create or be deemed to constitute a breach by the Applicant of any Agreement to which it is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicant entering into the DIP Agreement, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and
- (c) the payments made by the Applicant pursuant to this Order, the DIP Agreement or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

52. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicant's interest in such real property leases.

SERVICE AND NOTICE

53. **THIS COURT ORDERS** that the Monitor shall (a) without delay, publish in the Globe and Mail (National Edition), a notice containing the information prescribed under the CCAA, (b) within five (5) days after the date of this Order, (i) make this Order publicly available in the manner prescribed under the CCAA, (ii) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicant of more than \$1,000, and (iii) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

54. **THIS COURT ORDERS** that the Commercial List E-Service Guide (the "**Guide**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Guide (which can be found on the Commercial List website at <https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05 of the *Rules of Civil Procedure* (Ontario) (the "**Rules**"), this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules. Subject to Rule 3.01(d) of the Rules and paragraph 13 of the Guide, service of documents in accordance with the Guide will be effective on transmission. This Court further orders that a

Case Website shall be established in accordance with the Protocol with the following URL:
<http://cfcanada.fticonsulting.com/tacora>.

55. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Applicant and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Applicant's creditors or other interested parties at their respective addresses as last shown on the records of the Applicant and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

56. **THIS COURT ORDERS** that the Applicant and the Monitor and their counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices or other correspondence, by forwarding true copies thereof by electronic message to the Applicant's creditors or other interested parties and their advisors. Any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SORS/DORS).

SEALING

57. **THIS COURT ORDERS** that Confidential Exhibit "A" to the Bhandari Affidavit is hereby sealed pending further Order of the Court and shall not form part of the public record.

GENERAL

58. **THIS COURT ORDERS** that the Applicant or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

59. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicant, the Business or the Property.

60. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicant, the Monitor and their respective agents in carrying

out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

61. **THIS COURT ORDERS** that each of the Applicant and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

62. **THIS COURT ORDERS** that any interested party (including the Applicant, the Monitor and the DIP Lender) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

63. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the Filing Date.

64. **THIS COURT ORDERS** that this Order is effective from today's date and is enforceable without the need for entry and filing.

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985,
c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF TACORA RESOURCES INC.**

(Applicant)

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

PROCEEDINGS COMMENCED AT TORONTO

AMENDED AND RESTATED INITIAL ORDER

STIKEMAN ELLIOTT LLP
5300 Commerce Court West
199 Bay Street
Toronto, ON M5L 1B9

Ashley Taylor (LSO #39932E)
Tel: 416-869-5236
Email: ataylor@stikeman.com

Lee Nicholson (LSO #66412I)
Tel: 416-869-5604
Email: leenicholson@stikeman.com

Natasha Rambaran (LSO #80200N)
Tel: 416-869-5504
Email: nrambaran@stikeman.com

Philip Yang (LSO #82084O)
Tel: 416-869-5593
Email: pyang@stikeman.com

Counsel to Tacora Resources Inc.

TAB 7

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE ~~E~~ MADAM) ~~•~~ [WEEKDAYFRIDAY], THE ~~•~~ [#] [20TH]
JUSTICE ~~•~~ KIMMEL) DAY OF ~~•~~ [MONTH], 20~~•~~ [YR] OCTOBER,
) 2023

**IN THE MATTER OF THE COMPANIES’ CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
TACORA RESOURCES INC.**

~~the “AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
[APPLICANT’S NAME] (Applicant)”~~

AMENDED AND RESTATED INITIAL ORDER

THIS APPLICATION, made by ~~the Applicant~~ Tacora Resources Inc. (the “Applicant”), pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) for an Order amending and restating the initial order issued by the Court on October 10, 2023 (the “Filing Date”), substantially in the form included at the Applicant’s Application Record was heard this day ~~at 330 University Avenue, Toronto, Ontario~~ by judicial videoconference via Zoom.

ON READING ~~the affidavit of [NAME] sworn [DATE] and the Exhibits thereto~~ the Application Record of the Applicant dated October 9, 2023, the Motion Record of the Applicant dated October •, 2023, the affidavits of Joe Broking sworn October 9, 2023 (the “Broking Affidavit”) and October •, 2023 (the “Second Broking Affidavit”), the affidavit of Chetan Bhandari sworn October 9, 2023 (the “Bhandari Affidavit”), the consent of FTI Consulting Canada Inc. (“FTI”) to act as Court-appointed monitor of the Applicant (in such capacity, the “Monitor”), the Pre-Filing Report and First Report of FTI, and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for [NAMES], no one the Applicant, counsel for the Monitor and such other counsel and parties as listed on the Participant Information Form, with no one else appearing for

~~[NAME]¹ although duly served as appears from the affidavit of service of [NAME] sworn [DATE] and on reading the consent of [MONITOR'S NAME] to act as the Monitor~~ Natasha Rambaran,
filed,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated² so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPLICATION

2. **THIS COURT ORDERS AND DECLARES** that the Applicant is a company to which the CCAA applies.

PLAN OF ARRANGEMENT

3. **THIS COURT ORDERS** that the Applicant shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "**Plan**").

POSSESSION OF PROPERTY AND OPERATIONS

4. **THIS COURT ORDERS** that the Applicant shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"). Subject to further Order of this Court, the Applicant shall continue to carry on business in a manner consistent with the preservation of its business (the "**Business**") and Property. The Applicant is authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

~~¹Include names of secured creditors or other persons who must be served before certain relief in this model Order may be granted. See, for example, CCAA Sections 11.2(1), 11.3(1), 11.4(1), 11.51(1), 11.52(1), 32(1), 32(3), 33(2) and 36(2).~~

~~² If service is effected in a manner other than as authorized by the Ontario Rules of Civil Procedure, an order validating irregular service is required pursuant to Rule 16.08 of the Rules of Civil Procedure and may be granted in appropriate circumstances.~~

5. **{THIS COURT ORDERS** that, subject to the terms of the DIP Agreement (as defined below), the Applicant shall be entitled to continue to utilize the ~~central~~ cash management system³ currently in place as described in the Broking Affidavit of [NAME] sworn [DATE] or replace it with another substantially similar ~~central~~ cash management system (the “**Cash Management System**”) and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicant of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicant, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under ~~the~~ any Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.}

6. **THIS COURT ORDERS** that, subject to the terms of the DIP Agreement, the Applicant shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and
- (b) the fees and disbursements of any Assistants retained or employed by the Applicant in respect of these proceedings, at their standard rates and charges.

7. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein and subject to the terms of the DIP Agreement, the Applicant shall be entitled but not required to pay all reasonable expenses incurred by the Applicant in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account

~~³This provision should only be utilized where necessary, in view of the fact that central cash management systems often operate in a manner that consolidates the cash of applicant companies. Specific attention should be paid to cross-border and inter-company transfers of cash.~~

of insurance (including directors and officers' insurance), and maintenance and security services;~~and~~

(b) payment for goods or services actually supplied to the Applicant following the date of this Order; and

(c) payments on behalf of Tacora Resources LLC to pay salaries and wages for U.S. based employees and rent for the Applicant's head office located in Grand Rapids, Minnesota.

8. **THIS COURT ORDERS** that the Applicant shall remit, in accordance with legal requirements, or pay:

(a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of ~~(a)~~ employment insurance, ~~(a)~~ Canada Pension Plan, ~~(a) Quebec Pension Plan,~~ and ~~(a)~~ income taxes;

(b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicant in connection with the sale of goods and services by the Applicant, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, and

(c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicant.

9. **THIS COURT ORDERS** that until a real property lease is disclaimed ~~[or resiliated]~~⁴ in accordance with the CCAA, the Applicant shall pay all amounts constituting rent or payable as rent

⁴The term "resiliate" should remain if there are leased premises in the Province of Quebec, but can otherwise be removed.

under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Applicant and the landlord from time to time (“**Rent**”), for the period commencing from and including the date of this Order, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

10. **THIS COURT ORDERS** that, except as specifically permitted herein, the Applicant is hereby directed, until further Order of this Court: ~~10.~~ to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicant to any of its creditors as of this date; ~~10.~~ to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and ~~10.~~ to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

11. **THIS COURT ORDERS** that the Applicant shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the [DIP Agreement and the Definitive Documents](#) (as hereinafter defined), have the right to:

- (a) permanently or temporarily cease, downsize or shut down any of its business or operations, ~~and to dispose of redundant or non-material assets not exceeding \$•~~ [US\\$1,000,000](#) in any one transaction or ~~\$•~~ [US\\$5,000,000](#) in the aggregate⁵;
- (b) ~~terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate~~; and
- (c) pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing⁵;

all of the foregoing to permit the Applicant to proceed with an orderly restructuring of the Business (the “**Restructuring**”).

⁵ ~~Section 36 of the amended CCAA does not seem to contemplate a pre-approved power to sell (see subsection 36(3)) and moreover requires notice (subsection 36(2)) and evidence (subsection 36(7)) that may not have occurred or be available at the initial CCAA hearing.~~

12. **THIS COURT ORDERS** that the Applicant shall provide each of the relevant landlords with notice of the Applicant's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Applicant's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicant, or by further Order of this Court upon application by the Applicant on at least two (2) days notice to such landlord and any such secured creditors. If the Applicant disclaims ~~[or-resiliates]~~ the lease governing such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer ~~[or-resiliation]~~ of the lease shall be without prejudice to the Applicant's claim to the fixtures in dispute.

13. **THIS COURT ORDERS** that if a notice of disclaimer ~~[or-resiliation]~~ is delivered pursuant to Section 32 of the CCAA, then ~~13.~~ during the notice period prior to the effective time of the disclaimer ~~[or-resiliation]~~, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicant and the Monitor 24 hours' prior written notice, and ~~13.~~ at the effective time of the disclaimer ~~[or-resiliation]~~, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicant in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY

14. **THIS COURT ORDERS** that until and including ~~[DATE -- MAX. 30 DAYS]~~ [February 9, 2024](#), or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicant and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicant or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

15. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being “**Persons**” and each being a “**Person**”) against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall ~~15.~~ (a) empower the Applicant to carry on any business which the Applicant is not lawfully entitled to carry on, ~~15.~~(b) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, ~~15.~~(c) prevent the filing of any registration to preserve or perfect a security interest, or ~~15.~~(d) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

16. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Applicant, except with the written consent of the Applicant and the Monitor, or leave of this Court.

NO PRE-FILING VS POST-FILING SET-OFF

17. **THIS COURT ORDERS** that, no Person shall be entitled to set off any amounts that: (a) are or may become due to the Applicant in respect of obligations arising prior to the date hereof with any amounts that are or may become due from the Applicant in respect of obligations arising on or after the date of this Order; or (b) are or may become due from the Applicant in respect of obligations arising prior to the date hereof with any amounts that are or may become due to the Applicant in respect of obligations arising on or after the date of this Order, in each case without the consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall prejudice any arguments any person may want to make in seeking leave of the Court or following the granting of such leave.

CONTINUATION OF SERVICES

18. ~~17.~~ **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Applicant or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility

or other services to the Business or the Applicant, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicant, and that the Applicant shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicant in accordance with normal payment practices of the Applicant or such other practices as may be agreed upon by the supplier or service provider and each of the Applicant and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

19. ~~18.~~ **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicant. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.⁶

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

20. ~~19.~~ **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicant with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicant whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicant, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicant or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

21. ~~20.~~ **THIS COURT ORDER⁷RS** that the Applicant shall indemnify its directors and officers against obligations and liabilities that they may incur as directors or officers of the Applicant after

⁶ This non-derogation provision has acquired more significance due to the recent amendments to the CCAA, since a number of actions or steps cannot be stayed, or the stay is subject to certain limits and restrictions. See, for example, CCAA Sections 11.01, 11.04, 11.06, 11.07, 11.08, 11.1(2) and 11.5(1).

⁷ The broad indemnity language from Section 11.51 of the CCAA has been imported into this paragraph. The granting of the indemnity (whether or not secured by a Directors' Charge), and the scope of the indemnity, are discretionary matters that should be addressed with the Court.

the commencement of the within proceedings, including with respect to employee vacation pay which may have accrued prior to the commencement of these proceedings, but which obligation may become due and payable after the commencement of these proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

22. ~~21.~~ **THIS COURT ORDERS** that the directors and officers of the Applicant shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**")⁸ on the Property, which charge shall not exceed an aggregate amount of ~~\$●~~US\$5,200,000, as security for the indemnity provided in paragraph ~~[20]~~21 of this Order. The Directors' Charge shall have the priority set out in paragraphs ~~[38]~~46 and ~~[40]~~49 herein.

23. ~~22.~~ **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, ~~22.~~no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and ~~22.~~the Applicant's directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph ~~[20]~~21 of this Order.

ENGAGEMENT OF GREENHILL

24. **THIS COURT ORDERS** that the engagement of Greenhill & Co. Canada Ltd. ("**Greenhill**") by the Applicant as investment banker pursuant to the engagement letter dated as of January 23, 2023 (the "**Greenhill Engagement Letter**") and payment by the Applicant of the Monthly Advisory Fee (as defined in the Greenhill Engagement Letter) and the Transaction Fee (as defined in the Broking Affidavit) are hereby approved, subject to the priority provided for herein.

25. **THIS COURT ORDERS** that Greenhill shall be entitled to the benefit of and are hereby granted a charge (the "**Transaction Fee Charge**") on the Property as security for the Transaction Fee, which charge shall not exceed an aggregate amount of US\$5,600,000. The Transaction Fee Charge shall have the priority set out in paragraphs 46 and 49 herein.

26. **THIS COURT ORDERS** that Greenhill shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of the Greenhill Engagement Letter, save and except for any gross negligence or wilful misconduct on its part.

~~⁸ Section 11.51(3) provides that the Court may not make this security/charging order if in the Court's opinion the Applicant could obtain adequate indemnification insurance for the director or officer at a reasonable cost.~~

APPOINTMENT OF MONITOR

27. ~~23.~~ **THIS COURT ORDERS** that ~~[MONITOR'S NAME]~~ FTI is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicant with the powers and obligations set out in the CCAA or set forth herein and that the Applicant and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicant pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

28. ~~24.~~ **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Applicant's receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) assist the Applicant, to the extent required by the Applicant, in its dissemination, to the DIP Lender and ~~its counsel on a [TIME INTERVAL] basis of financial and other information as agreed to~~ their counsel, pursuant to and in accordance with the DIP Agreement (as defined herein), or as may otherwise be agreed between the Applicant and the DIP Lender ~~which may be used in these proceedings including reporting on a basis to be agreed with the DIP Lender;~~
- (d) advise the Applicant in its preparation of the Applicant's cash flow statements and reporting required by the DIP Lender under the DIP Agreement, which information shall be reviewed with the Monitor and delivered to the DIP Lender and ~~its counsel on a periodic basis, but not less than [TIME INTERVAL], or as otherwise agreed to by the DIP Lender~~ their counsel in accordance with the DIP Agreement;
- (e) advise the Applicant in its development of the Plan and any amendments to the Plan;
- (f) assist the Applicant, to the extent required by the Applicant, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;

- (g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicant, to the extent that is necessary to adequately assess the Applicant's business and financial affairs or to perform its duties arising under this Order;
- (h) hold and administer funds in connection with arrangements made among the Applicant, any counterparties and the Monitor or by Order of this Court;
- (i) ~~(h)~~ be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and
- (j) ~~(i)~~ perform such other duties as are required by this Order or by this Court from time to time.

29. ~~25.~~ **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

30. ~~26.~~ **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, ~~or the Ontario Occupational Health and Safety Act~~ and, the Newfoundland Environmental Protection Act, the Newfoundland Water Resources Act, the Newfoundland Occupational Health and Safety Act, and the regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

31. ~~27.~~ **THIS COURT ORDERS** ~~that~~ that the Monitor shall provide any creditor of the Applicant and the DIP Lender with information provided by the Applicant in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicant is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicant may agree.

32. ~~28.~~ **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

ADMINISTRATION CHARGE

33. ~~29.~~ **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Applicant shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to, on or subsequent to the date of this Order, by the Applicant as part of the costs of these proceedings. The Applicant is hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicant on a ~~[TIME INTERVAL]~~ bi-weekly basis and, in addition, the Applicant is hereby authorized to pay to the Monitor, counsel to the Monitor, ~~and~~ and counsel to the Applicant, reasonable retainers ~~in the amount[s] of \$● [, respectively,]~~ to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

34. ~~30.~~ **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

35. ~~31.~~ **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, ~~if any, and~~ the Applicant's counsel and Greenhill for its Monthly Advisory Fee (as defined by the Greenhill Engagement Letter) shall be entitled to the benefit of and are hereby granted a charge (the "Administration Charge") on the Property, which charge shall not exceed an aggregate amount of ~~\$●~~ US\$1,000,000, as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of

this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs ~~[38]~~ 46 and ~~[40]~~ 49 hereof.

DIP FINANCING

~~36.~~ ~~32.~~ **THIS COURT ORDERS** that the Applicant is hereby authorized and empowered to obtain and borrow ~~under a~~ a super-priority, debtor-in-possession, non-revolving credit facility ~~from~~ ~~[DIP LENDER'S NAME]~~ (the "**DIP Facility**") under a DIP Loan Agreement dated October 9, 2023 (the "DIP Agreement") from Cargill Inc. (collectively, in such capacity, the "DIP Lender") in order to finance the Applicant's working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under ~~such credit facility~~ the DIP Agreement shall not exceed ~~\$●~~ the principal amount of US\$75,000,000 and Post-Filing Credit Extensions (as defined in the DIP Agreement) shall not exceed the principal amount of US\$20,000,000, unless permitted by further Order of this Court.

~~37.~~ ~~33.~~ **THIS COURT ORDERS** ~~THAT such credit facility~~ that the DIP Facility shall be on the terms and subject to the conditions set forth in the ~~commitment letter between the Applicant and the DIP Lender dated as of [DATE] (the "Commitment Letter"), filed~~ DIP Agreement attached as Exhibit "K" to the Broking Affidavit.

~~38.~~ ~~34.~~ **THIS COURT ORDERS** that the Applicant is hereby authorized and empowered to execute and deliver such ~~credit agreements, mortgages, charges, hypothecs and~~ security documents, ~~guarantees~~ and other definitive documents (collectively, the "**Definitive Documents**"), as are contemplated by the ~~Commitment Letter~~ DIP Agreement or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Applicant is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the ~~Commitment Letter~~ DIP Agreement and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

~~39.~~ ~~35.~~ **THIS COURT ORDERS** that the DIP Lender and Cargill International Trading Pte Ltd. ("CITPL") shall be entitled to the benefit of and is hereby granted a charge (the "**DIP Lender's Charge**") on the Property, which DIP ~~Lender's~~ Charge shall not secure an obligation that exists before this Order is made, and in the case of CITPL, shall only secure Post-Filing Credit Extensions. The DIP ~~Lender's~~ Charge shall have the priority set out in paragraphs ~~[38]~~ 46 and ~~[40]~~ 49 hereof.

~~40.~~ ~~36.~~ **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP ~~Lender's Charge~~ or any of the Definitive Documents;
- (b) upon the occurrence of an event of default under the DIP Agreement or the Definitive Documents ~~or the DIP Lender's Charge~~, the DIP Lender, ~~upon~~ ~~●~~ may cease making advances to the Applicant upon four (4) business days notice to the Applicant and the Monitor, ~~may~~ exercise any and all of its rights and remedies against the Applicant or the Property under or pursuant to the ~~Commitment Letter~~ DIP Agreement, Definitive Documents and the DIP ~~Lender's Charge~~, including without limitation, ~~to cease making advances to the Applicant and~~ set off and/or consolidate any amounts owing by the DIP Lender to the Applicant against the obligations of the Applicant to the DIP Lender under the ~~Commitment Letter~~ DIP Agreement, the Definitive Documents or the DIP ~~Lender's Charge~~, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicant and for the appointment of a trustee in bankruptcy of the Applicant; and
- (c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicant or the Property.

41. ~~37.~~ **THIS COURT ORDERS AND DECLARES** that the DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicant under the CCAA, or any proposal filed by the Applicant under the *Bankruptcy and Insolvency Act* ~~of (Canada)~~ (the "BIA"), with respect to any advances made under the Definitive Documents.

42. **THIS COURT ORDERS AND DECLARES** that this Order is subject to provisional execution and that if any of the provisions of this Order in connection with the DIP Agreement, the Definitive Documents or the DIP Charge shall subsequently be stayed, modified, varied, amended, reversed or vacated in whole or in part (collectively, a "Variation"), such Variation shall not in any way impair, limit or lessen the priority, protections, rights or remedies of the DIP Lender, whether under this Order (as made prior to the Variation), under the DIP Agreement or the Definitive Documents with respect to any advances made or obligations incurred prior to the DIP Lender being given notice of the Variation, and the DIP Lender shall be entitled to rely on this Order as

issued (including, without limitation, the DIP Charge) for all advances so made and other obligations set out in the DIP Agreement and the Definitive Documents.

KEY EMPLOYEE RETENTION PLAN

43. THIS COURT ORDERS that the Key Employee Retention Plan (the “KERP”), as described in the Broking Affidavit and the Second Broking Affidavit, is hereby approved and the Applicant is authorized to make payments contemplated thereunder in accordance with the terms and conditions of the KERP.

44. THIS COURT ORDERS that payments made by the Applicant pursuant to the KERP do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

45. THIS COURT ORDERS that the Applicant is authorized to pay up to US\$3,035,000 to the Monitor to hold in a segregated account (the “KERP Funds”) and the key employees referred to in the KERP (the “Key Employees”) shall be entitled to the benefit of and are hereby granted a charge on the KERP Funds (the “KERP Charge”), which charge shall not exceed an aggregate amount of US\$3,035,000 to secure any payments to the Key Employees under the KERP. The KERP Charge shall have the priority set out in paragraphs 46 and 49 hereof. The Monitor shall not be responsible for making the payments to the Key Employees under the KERP; paying any tax withholdings or remittances payable to any tax authorities or otherwise in respect of the KERP; or reporting or making disclosure with respect to the KERP to any taxing authorities or otherwise.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

46. ~~38.~~ THIS COURT ORDERS that the priorities of the ~~Directors’ Charge, the Administration Charge, the Directors’ Charge, the Transaction Fee Charge~~ and the DIP ~~Lender’s~~ Charge (collectively, with the KERP Charge, the “Charges”), as among them, as against the Property other than the KERP Funds, shall be as follows⁹:

First – the Administration Charge (to the maximum amount of \$●US\$1,000,000);

⁹~~The ranking of these Charges is for illustration purposes only, and is not meant to be determinative. This ranking may be subject to negotiation, and should be tailored to the circumstances of the case before the Court. Similarly, the quantum and caps applicable to the Charges should be considered in each case. Please also note that the CCAA now permits Charges in favour of critical suppliers and others, which should also be incorporated into this Order (and the rankings, above), where appropriate.~~

~~Second – DIP Lender’s Charge; and Third – the~~ Directors’ Charge (to the maximum amount of ~~\$ ●~~); US\$5,200,000);

Third – the Transaction Fee Charge (to the maximum amount of US\$5,600,000); and

Fourth – the DIP Charge.

47. THIS COURT ORDERS that the KERP Charge (to the maximum amount of US\$3,035,000) shall rank first solely as against the KERP Funds and the other Charges shall rank subordinate to the KERP Charge as against the KERP Funds in the priorities set out in paragraph 46.

48. 39. THIS COURT ORDERS that the filing, registration or perfection of the ~~Directors’ Charge, the Administration Charge or the DIP Lender’s Charge (collectively, the “Charges”)~~ shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

49. 40. THIS COURT ORDERS that each of the ~~Directors’ Charge, the Administration Charge and the DIP Lender’s Charge (all as constituted and defined herein)~~ Charges shall constitute a charge on the Property, and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, “**Encumbrances**”) in favour of any Person, except for the portion of the Transaction Fee Charge which ranks pari passu basis with the Senior Priority Notes and Senior Priority Advances.

50. 41. THIS COURT ORDERS that, except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicant shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the ~~Directors’ Charge, the Administration Charge or the DIP Lender’s Charge~~ Charges, unless the Applicant also obtains the prior written consent of the Monitor, the ~~DIP Lender and the~~ beneficiaries of the Administration Charge, the Directors’ Charge, DIP Charge and the ~~Administration~~ KERP Charge, or further Order of this Court.

51. 42. THIS COURT ORDERS that ~~the Directors’ Charge,~~ the Administration Charge, the ~~Commitment Letter~~ Directors’ Charge, the KERP Charge, the Transaction Fee Charge, the DIP Charge, the DIP Agreement and the Definitive Documents ~~and the DIP Lender’s Charge~~ shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the “**Chargees**”) and/or the DIP Lender thereunder shall not

otherwise be limited or impaired in any way by ~~42.~~the pendency of these proceedings and the declarations of insolvency made herein; ~~42.~~any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; ~~42.~~the filing of any assignments for the general benefit of creditors made pursuant to the BIA; ~~42.~~the provisions of any federal or provincial statutes; or ~~42.~~any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an “**Agreement**”) which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the ~~Commitment Letter~~ DIP Agreement or the Definitive Documents shall create or be deemed to constitute a breach by the Applicant of any Agreement to which it is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicant entering into the ~~Commitment Letter~~ DIP Agreement, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and
- (c) the payments made by the Applicant pursuant to this Order, the ~~Commitment Letter~~ DIP Agreement or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

52. ~~43.~~ **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicant’s interest in such real property leases.

SERVICE AND NOTICE

53. ~~44.~~ **THIS COURT ORDERS** that the Monitor shall ~~44.~~ (a) without delay, publish in ~~[newspapers specified by the Court]~~ the Globe and Mail (National Edition), a notice containing the information prescribed under the CCAA, ~~44.~~ (b) within five (5) days after the date of this Order, (i) make this Order publicly available in the manner prescribed under the CCAA, ~~44.~~ (ii) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicant of more than \$~~1000~~ 1,000,- and ~~44.~~ (iii) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the

prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

54. ~~45.~~ **THIS COURT ORDERS** that the ~~E-Service Protocol of the~~ Commercial List E-Service Guide (the "**Protocol Guide**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol Guide (which can be found on the Commercial List website at ~~<http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>~~ <https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05 of the Rules of Civil Procedure (Ontario) (the "Rules"), this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules ~~of Civil Procedure~~. Subject to Rule 3.01(d) of the Rules ~~of Civil Procedure~~ and paragraph ~~24-13~~ of the Protocol Guide, service of documents in accordance with the Protocol Guide will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL ~~'<@>':~~ <http://cfcanada.fticonsulting.com/tacora>.

55. ~~46.~~ **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Applicant and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Applicant's creditors or other interested parties at their respective addresses as last shown on the records of the Applicant and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

56. **THIS COURT ORDERS** that the Applicant and the Monitor and their counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices or other correspondence, by forwarding true copies thereof by electronic message to the Applicant's creditors or other interested parties and their advisors. Any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SORS/DORS).

SEALING

57. **THIS COURT ORDERS** that Confidential Exhibit "A" to the Bhandari Affidavit is hereby sealed pending further Order of the Court and shall not form part of the public record.

GENERAL

58. ~~47.~~ **THIS COURT ORDERS** that the Applicant or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

59. ~~48.~~ **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicant, the Business or the Property.

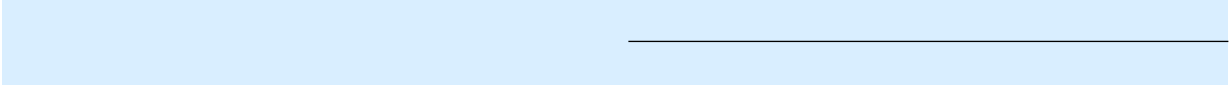
60. ~~49.~~ **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicant, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

61. ~~50.~~ **THIS COURT ORDERS** that each of the Applicant and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

62. ~~51.~~ **THIS COURT ORDERS** that any interested party (including the Applicant ~~and~~ the Monitor and the DIP Lender) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

63. ~~52.~~ **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the ~~date of this Order.~~ Filing Date.

64. **THIS COURT ORDERS** that this Order is effective from today's date and is enforceable without the need for entry and filing.



Court File No. _____

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985,
c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF TACORA RESOURCES INC.

(Applicant)

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

PROCEEDINGS COMMENCED AT TORONTO

AMENDED AND RESTATED INITIAL ORDER

STIKEMAN ELLIOTT LLP
5300 Commerce Court West
199 Bay Street
Toronto, ON M5L 1B9

Ashley Taylor (LSO #39932E)
Tel: 416-869-5236
Email: ataylor@stikeman.com

Lee Nicholson (LSO #66412I)
Tel: 416-869-5604
Email: leenicholson@stikeman.com

Natasha Rambaran (LSO #80200N)
Tel: 416-869-5504
Email: nrambaran@stikeman.com

Philip Yang (LSO #82084O)
Tel: 416-869-5593
Email: pyang@stikeman.com

Counsel to Tacora Resources Inc.

TAB 8

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE MADAM) [FRIDAY], THE [20TH]
JUSTICE KIMMEL) DAY OF OCTOBER, 2023

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
TACORA RESOURCES INC.**

(Applicant)

**ORDER
(Solicitation Order)**

THIS MOTION, made by Tacora Resources Inc. (the "**Applicant**"), for an Order approving, the procedures for a sale, investment, and services solicitation process in respect of the Applicant attached hereto as Schedule "A" (the "**Solicitation Process**") was heard this day by judicial videoconference via Zoom.

ON READING the affidavits of Joe Broking sworn October 9, 2023, and October [●], 2023, and the Exhibits thereto, the pre-filing report of FTI Consulting Canada Inc. ("**FTI**"), in its capacity as proposed monitor of the Applicant dated October [9], 2023, the first report of FTI in its capacity as monitor (in such capacity, the "**Monitor**") dated October [●], 2023, and on hearing the submissions of counsel for the Applicant, counsel for the Monitor, counsel for Cargill, Incorporated and Cargill International Trading Pte Ltd., counsel for the Ad Hoc Group of Senior Noteholders, counsel for Resource Capital Fund VII L.P., counsel for Crossingbridge Advisors, LLC, and such other parties as listed on the Participant Information Form, with no one else appearing although duly served as appears from the affidavits of service of Natasha Rambaran, filed.

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service and filing of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein shall have the meanings ascribed to them in the Solicitation Process.

APPROVAL OF THE SALE, INVESTMENT AND SERVICES SOLICITATION PROCESS

3. **THIS COURT ORDERS** that the Solicitation Process attached hereto as Schedule "A" is hereby approved and the Applicant, Financial Advisor, and Monitor are hereby authorized and directed to implement the Solicitation Process pursuant to the terms thereof. The Financial Advisor, Applicant, and Monitor are hereby authorized and directed to take any and all actions as may be necessary or desirable to implement and carry out the Solicitation Process in accordance with its terms and this Order.

4. **THIS COURT ORDERS** that the Financial Advisor, Applicant, and the Monitor are hereby authorized and directed to immediately commence the Solicitation Process to solicit interest in the opportunity for a sale of or investment in all or part of the Applicant's assets (the "**Property**") and business operations (the "**Business**"), and for offtake, services or other agreement in respect of the Business.

5. **THIS COURT ORDERS** that each of the Financial Advisor, Applicant, Monitor and their respective affiliates, partners, directors, employees agents and controlling persons shall have no liability with respect to any and all losses, claims, damages or liabilities, of any nature or kind, to any person in connection with or as a result of the Solicitation Process, except to the extent such losses, claims, damages or liabilities result from the gross negligence or wilful misconduct of the Financial Advisor, Applicant, or Monitor, as applicable, in performing their obligations under the Solicitation Process, as determined by this Court.

6. **THIS COURT ORDERS** that, pursuant to section 3(c) of the Electronic Commerce Protection Regulations, Reg. 81000-2-175 (SOR/DORS), the Financial Advisor, Applicant, and Monitor are authorized and permitted to send, or cause or permit to be sent, commercial electronic messages to an electronic address of prospective bidders or offerors and to their advisors, but only to the extent required to provide information with respect to the Solicitation Process in these proceedings.

7. **THIS COURT ORDERS** that notwithstanding anything contained herein or in the Solicitation Process, the Financial Advisor and Monitor shall not take possession of the Property or be deemed to take possession of the Property.

PROTECTION OF PERSONAL INFORMATION

8. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, the Financial Advisor, Applicant, Monitor, and their respective advisors are hereby authorized and permitted to disclose and transfer to prospective Solicitation Process participants (each, a “**Solicitation Process Participant**”) and their advisors personal information of identifiable individuals (“**Personal Information**”), records pertaining to the Applicant’s past and current employees, and information on specific customers, but only to the extent desirable or required to negotiate or attempt to complete a transaction under the Solicitation Process (a “**Transaction**”). Each Solicitation Process Participant to whom any Personal Information is disclosed shall maintain and protect the privacy of such Personal Information and limit the use of such Personal Information to its evaluation of a Transaction, and if it does not complete a Transaction, shall return all such information to the Financial Advisor, Applicant, or Monitor, or in the alternative destroy all such information and provide confirmation of its destruction if required by the Financial Advisor, Applicant, or Monitor. The Successful Transaction Bidder shall maintain and protect the privacy of such information and, upon closing of the Transaction contemplated in the Successful Transaction Bid, shall be entitled to use the personal information provided to it that is related to the Business and/or Property acquired pursuant to the Solicitation Process in a manner that is in all material respects identical to the prior use of such information by the Applicant, and shall return all other personal information to the Financial Advisor, Applicant, or Monitor, or ensure that all other personal information is destroyed and provide confirmation of its destruction if requested by the Financial Advisor, Applicant, or Monitor.

GENERAL

9. **THIS COURT ORDERS** that the Applicant or the Monitor may from time to time apply to this Court to amend, vary or supplement this Order or for advice and directions in the discharge of their powers and duties under the Solicitation Process.

10. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

11. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States of America, or in any other foreign jurisdiction, to give effect to this Order and to assist the Applicant, Monitor,

and their respective agents in carrying out the terms of this Order. All courts, tribunals, and regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Financial Advisor, Applicant, and Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Financial advisor, Applicant, Monitor, and their respective agents in carrying out the terms of this Order.

12. **THIS COURT ORDERS** that the Applicant and Monitor be at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

13. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. on the date of this Order.

Schedule "A"

Procedures for the Sale, Investment and Services Solicitation Process

Tacora Resources Inc. ("**Tacora**") is a private company that is focused on the production and sale of high-grade and quality iron ore products that improve the efficiency and environmental performance of steel making. Tacora currently sells 100% of the iron ore concentrate production at the Scully Mine, an iron ore concentrate mine located near Wabush, Newfoundland and Labrador, Canada (the "**Scully Mine**"), pursuant to the Offtake Agreement with Cargill.

On October 10, 2023, Tacora commenced proceedings (the "**CCAA Proceedings**") under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**") before the Ontario Superior Court of Justice (Commercial List) in the City of Toronto (the "**Court**") pursuant to an order granted by the Court on the same day (as may be amended or amended and restated from time to time, the "**Initial Order**").

Pursuant to the Initial Order, FTI Consulting Canada Inc., a licensed insolvency trustee, was appointed as monitor in the CCAA Proceedings (in such capacity, the "**Monitor**"). Greenhill & Co. Canada Ltd. (the "**Financial Advisor**") is acting as Tacora's financial advisor and investment banker.

On October [●], 2023, the Court granted an order (the "**Solicitation Order**"), authorizing Tacora to undertake a sale, investment and services solicitation process (the "**Solicitation Process**") to solicit offers or proposals for a sale, restructuring or recapitalization transaction in respect of Tacora's assets (the "**Property**") and business operations (the "**Business**"). The Solicitation Process will be conducted by the Financial Advisor with the Monitor in the manner set forth in these procedures (the "**Solicitation Procedures**").

Defined Terms

1. Capitalized terms used in these Solicitation Procedures and not otherwise defined herein have the meanings given to them in Appendix "A".

Solicitation Procedures

Opportunity

2. The Solicitation Process is intended to solicit interest in, and opportunities for: (a) one or more sales of all, substantially all, or certain portions of the Property or the Business; or (b) an investment in, restructuring, recapitalization, refinancing or other form of reorganization of Tacora or its Business as a going concern, or a combination thereof (the "**Transaction Opportunity**").
3. The Solicitation Process will also provide the ability for interested parties to investigate and conduct due diligence regarding an opportunity to arrange an offtake, service or other agreement in respect of the business (the "**Offtake Opportunity**").

General

4. The Solicitation Procedures describe the manner in which prospective bidders may gain access to due diligence materials concerning Tacora, the Business and the

Property, the manner in which bidders may participate in the Solicitation Process, the requirements of and the receipt and negotiation of Bids received, the ultimate selection of a Successful Bidder and the requisite approvals to be sought from the Court in connection therewith.

5. Tacora, in consultation with the Monitor and the Financial Advisor, may at any time and from time to time, modify, amend, vary or supplement the Solicitation Procedures, without the need for obtaining an order of the Court or providing notice to Phase 1 Bidders, Phase 2 Bidders, the Successful Bidder and the Back-Up Bidder, provided that the Financial Advisor and the Monitor determine that such modification, amendment, variation or supplement is expressly limited to changes that do not materially alter, amend or prejudice the rights of such bidders and that are necessary or useful in order to give effect to the substance of the Solicitation, the Solicitation Procedures and the Solicitation Order.
6. Except as set forth in this section, nothing in this Solicitation Process shall prohibit a secured creditor of Tacora (a) from participating as a bidder in the Solicitation Process, or (b) committing to Bid its secured debt, including a credit bid of some or all outstanding indebtedness under any loan facility (inclusive of interest and all amounts payable under any loan agreement to and including the date of closing of a definitive transaction) in the Solicitation Process.
7. Tacora, in consultation with the Financial Advisor and the Monitor, shall have complete discretion with respect to the provision of any information to any party or any consultation rights, including withholding or redacting any information regarding Bids as they believe appropriate.
8. [reserved]
9. Notwithstanding anything to the contrary in these Solicitation Procedures, Tacora and the Financial Advisor, in consultation with the Monitor, may attempt to negotiate a stalking horse bid (a "**Stalking Horse Bid**") prior to the Phase 1 Bid Deadline to provide certainty for Tacora and the Property/Business during the Solicitation Process. If Tacora, with the approval of the Monitor, accepts a Stalking Horse Bid, such Stalking Horse Bid shall be subject to approval by the Court and Tacora shall bring a motion before the Court on notice to the service list in these CCAA Proceedings seeking the approval of the Stalking Horse Bid, together with approval of necessary amendments to these Solicitation Procedures. All Potential Bidders shall be promptly informed of any Court approval of a Stalking Horse Bid and any related amendments to these Solicitation Procedures. The terms of any Stalking Horse Bid must at a minimum, meet all requirements under these Solicitation Procedures, including, for greater certainty, the criteria applicable to a Phase 2 Qualified Bid (which must provide for payment of all obligations owing under the DIP Agreement in full).

Timeline

10. The following table sets out the key milestones under this Solicitation Process:

Event	Timing
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<u>Phase 1</u>	
1. Notice Monitor to publish a notice of the Solicitation Process on the Monitor's Website Financial Advisor / Tacora to publish notice of the Solicitation Process in industry trade publications, as determined appropriate Financial Advisor to distribute Teaser Letter and NDA to potentially interested parties	Within five (5) days following issuance of the Solicitation Order.
2. Phase 1 - Access to VDR Phase 1 Bidders provided access to the VDR, subject to execution of appropriate NDAs	October [●], 2023 to December 1, 2023
3. Phase 1 Bid Deadline Deadline for Phase 1 Bidders to submit non-binding LOIs in accordance with the requirement of section 20	By no later than December 1, 2023 at 12:00 p.m. (Eastern Time)
4. Notification of Phase 1 Qualified Bid Deadline to notify a Phase 1 Bidder whether it has been designated as a Phase 2 Bidder invited to participate in Phase 2	By no later than December 6, 2023, at 12:00 p.m. (Eastern Time)
<u>Phase 2</u>	
5. Phase 2 Bid Deadline Phase 2 Bid Deadline (for delivery of definitive offers by Phase 2 Qualified Bidders in accordance with the requirement of section 29)	By no later than January 19, 2024, at 12:00 p.m. (Eastern Time)
6. Definitive Documentation Deadline for completion of definitive documentation in respect of a Successful Bid and filing of the Approval Motion	By no later than February 2, 2024
7. Approval Motion Hearing of Approval Motion in respect of Successful Bid (subject to Court availability)	Week of February 5, 2024

8. Outside Date – Closing Outside Date by which the Successful Bid must close	February 23, 2024 (subject to customary conditions related to necessary and required regulatory approvals acceptable to Tacora, in consultation with the Financial Advisor and the Monitor, in their sole discretion)
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Solicitation of Interest

11. As soon as reasonably practicable, but, in any event, by no later than five (5) days after the granting of the Solicitation Order:
 - (a) the Financial Advisor, in consultation with the Monitor and Tacora, will prepare a list of potential bidders, including (i) parties that have approached Tacora, the Financial Advisor, or the Monitor indicating an interest in the Opportunity, (ii) parties suggested by Tacora’s secured creditors or their advisors, (iii) local and international strategic and financial parties who the Financial Advisor, in consultation with Tacora and the Monitor, believes may be interested in the Opportunity; (iv) Cargill and the Ad Hoc Group; and (v) parties that showed an interest in Tacora and/or its assets prior to the date of the Solicitation Order including by way of the previous, out-of-court strategic review process, in each case whether or not such party has submitted a letter of intent or similar document (collectively, the “**Potential Bidders**”);
 - (b) a notice of the Solicitation and any other relevant information that the Monitor considers appropriate regarding the Solicitation Process, in consultation with Tacora and the Financial Advisor, will be published by the Monitor on the Monitor’s Website;
 - (c) a notice of the Solicitation Process and any other relevant information that the Financial Advisor, in consultation with Tacora and the Monitor, considers appropriate will be published by the Financial Advisor in one or more trade industry and/or insolvency-related publications as may be considered appropriate by the Financial Advisor; and
 - (d) the Financial Advisor, in consultation with Tacora and the Monitor, will prepare a process summary (the “**Teaser Letter**”) describing the Opportunity, outlining the process under the Solicitation Process and inviting recipients of the Teaser Letter to express their interest pursuant to the Solicitation Process; and (ii) a non-disclosure agreement in form and substance satisfactory to the Financial Advisor, Tacora, the Monitor, and their respective counsel (an “**NDA**”).

12. The Financial Advisor will cause the Teaser Letter and NDA to be sent to each Potential Bidder by no later than five (5) days after the Solicitation Order and to any other party who requests a copy of the Teaser Letter and NDA or who is identified to the Financial Advisor or the Monitor as a potential bidder as soon as reasonably practicable after such request or identification, as applicable.

Phase 1: Non-Binding LOIs

Phase 1 Due Diligence

13. In order to participate in the Solicitation Process, and prior to the distribution of any confidential information, a potential bidder (each Potential Bidder interested in the Transaction Opportunity who has executed an NDA with Tacora, a "**Phase 1 Bidder**") must deliver to the Financial Advisor an executed NDA, (with a copy to the Monitor). Each Phase 1 Bidder shall be prohibited from communicating with any other Phase 1 Bidder and their respective affiliates and their legal and financial advisors regarding the Opportunity during the term of the Solicitation Process, without the consent of Tacora and the Monitor, in consultation with the Financial Advisor. For the avoidance of doubt, a party who has executed an NDA or a joinder with a Phase 1 Bidder for the purpose of providing financing to a Phase 1 Bidder in connection with the Transaction Opportunity, including financing through an offtake or similar agreement in respect of the Offtake Opportunity (such party a "**Financing Party**") will not be deemed a Phase 1 Bidder for purposes of the Solicitation Process, provided that such Financing Party undertakes to inform the Financial Advisor and the Monitor in the event that it may submit a Bid. The Financial Advisor and the Monitor, in their sole discretion, may introduce Financing Parties, including parties interested in the Offtake Opportunity, to Phase 1 Bidders if determined beneficial to the Solicitation Process. Phase 1 Bidders must rely solely on their own independent review, investigation and/or inspection of all information and of the Property and Business in connection with their participation in the Solicitation Process and any transaction they enter into with Tacora.
14. With the prior consent of the Monitor and Financial Advisor, which consent may include such terms and conditions as the Monitor deems appropriate, Phase 1 Bidders may also communicate with Tacora's secured creditors in respect of the Solicitation Process.
15. Notwithstanding any other provision of this Solicitation Process, prior to Tacora executing an NDA with any Potential Bidder, Tacora, in consultation with the Financial Advisor and the Monitor, may require evidence reasonably satisfactory to Tacora, in consultation with the Financial Advisor and the Monitor, of the financial wherewithal of the Potential Bidder to complete on a timely basis a transaction in respect of the Opportunity (either with existing capital or with capital reasonably anticipated to be raised prior to closing) and/or to disclose details of their ownership and/or investors.
16. A confidential virtual data room (the "**VDR**") in relation to the Opportunity will be made available by Tacora to Phase 1 Bidders and Financing Parties (including those interested in the Offtake Opportunity) that have executed the NDA in accordance with section 13 as soon as practicable. Following the completion of "Phase 1", but prior to the completion of "Phase 2", additional information may be added to the VDR to enable Phase 2 Qualified Bidders to complete any confirmatory due diligence in respect of Tacora and the Opportunity. The Financial Advisor, in consultation with Tacora and the Monitor, may establish or cause Tacora to establish separate VDRs (including "clean rooms"), if Tacora reasonably determines that doing so would further Tacora's and any Phase 1 Bidder's compliance with applicable antitrust and competition laws, would prevent the distribution of commercially sensitive competitive information, or to protect the integrity of the Solicitation Process and Tacora's restructuring process generally. Tacora may also, in consultation with the Financial Advisor and the Monitor, limit the

access of any Phase 1 Bidder to any confidential information in the VDR where Tacora may also, in consultation with the Financial Advisor and the Monitor, reasonably determine that such access could negatively impact the Solicitation Process, the ability to maintain the confidentiality of the information, the Business or its value.

17. Tacora, in consultation with the Financial Advisor and the Monitor, may (but is not required to) provide management presentations to Phase 1 Bidders. Any communications between Phase 1 Bidders and management of Tacora shall be supervised by representatives of the Financial Advisor and the Monitor, provided that such discussions shall remain confidential and shall not be disclosed without the consent of the parties to the discussion. In connection with the foregoing, the Financial Advisor and the Monitor shall continue to have duties to the Court to ensure that the Solicitation Process proceeds in a manner that complies with the CCAA and the terms of the Solicitation Process. The provisions of this section are subject to further order of the Court.
18. The Financial Advisor, Tacora, the Monitor, and their respective employees, officers, directors, agents, other representatives and their respective advisors make no representation, warranty, condition or guarantee of any kind, nature or description as to the information contained in the VDR or made available in connection with the Solicitation Process.

Phase 1 Bids

19. If a Phase 1 Bidder wishes to submit a bid in respect of the Transaction Opportunity (a "**Bid**"), it must deliver a non-binding letter of intent (an "**LOI**") (each such LOI, in accordance with section 20 below, a "**Phase 1 Qualified Bid**") to the Financial Advisor (including by email) with a copy to the Monitor (including by email) so as to be received by the Financial Advisor not later than 12:00 p.m. (Eastern Time) on December 1, 2023, or such other date or time as may be agreed by Tacora, in consultation with the Financial Advisor, and consent of the Monitor (the "**Phase 1 Bid Deadline**").
20. A LOI submitted by a Phase 1 Bidder will only be considered a Phase 1 Qualified Bid if the LOI complies at a minimum with the following:
 - (a) it has been duly executed by all required parties;
 - (b) it is received by the Phase 1 Bid Deadline;
 - (c) it clearly indicates that:
 - (i) the Phase 1 Bidder is (A) seeking to acquire all or substantially all of the Property or Business, whether through an asset purchase, a share purchase or a combination thereof (either one, a "**Sale Proposal**"); or (B); offering to make an investment in, restructure, recapitalize or refinance Tacora or the Business (a "**Recapitalization Proposal**").
 - (d) in the case of a Sale Proposal, the Bid includes:
 - (i) the purchase price or price range and key assumptions supporting the valuation and the anticipated amount of cash payable on closing of the proposed transaction;

- (ii) details regarding any consideration which is not cash;
 - (iii) any contemplated purchase price adjustment;
 - (iv) a specific indication of the expected structure and financing of the transaction (including, but not limited to the sources of financing to fund the acquisition);
 - (v) a description of the Property that is subject to the transaction and any of the Property expected to be excluded;
 - (vi) a description of those liabilities and obligations (including operating liabilities and obligations to employees) which the Phase 1 Bidder intends to assume and those liabilities and obligations it does not intend to assume and are to be excluded as part of the transaction and shall specifically identify whether the Phase 1 Bidder intends to assume the existing Offtake Agreement and if not, whether the Phase 1 Bidder anticipates requiring to be paired with a Financing Party interested in the Offtake Opportunity in connection with their proposed Bid;
 - (vii) information sufficient for Tacora, in consultation with the Financial Advisor and the Monitor, to determine that the Phase 1 Bidder has sufficient financial ability to complete the transaction contemplated by the Sale Proposal;
 - (viii) a description of the Phase 1 Bidder's intentions for the Business, including any plans or conditions related to Tacora's management and employees;
 - (ix) an outline of any additional due diligence required to be conducted in order to submit a final and binding offer; and
 - (x) any other terms or conditions of the Sale Proposal that the Phase 1 Bidder believes are material to the transaction.
- (e) in the case of a Recapitalization Proposal, the Bid includes:
- (i) a description of how the Phase 1 Bidder proposes to structure the proposed investment, restructuring, recapitalization or refinancing;
 - (ii) the aggregate amount of the equity and/or debt investment to be made in Tacora or its Business;
 - (iii) details on the permitted use of proceeds;
 - (iv) a description of those liabilities and obligations (including operating liabilities and obligations to employees) which the Phase 1 Bidder intends to assume and those liabilities and obligations it does not intend to assume and are to be excluded as part of the transaction, and shall specifically identify whether the Phase 1 Bidder intends to assume the existing Offtake Agreement and if not, whether the Phase 1 Bidder anticipates requiring to be paired with a Financing Party interested in the

Offtake Opportunity in connection with their proposed Bid;

- (v) information sufficient for Tacora, in consultation with the Financial Advisor and the Monitor, to determine that the Phase 1 Bidder has sufficient ability to complete the transaction contemplated by the Recapitalization Proposal;
 - (vi) the underlying assumptions regarding the pro forma capital structure;
 - (vii) a description of the Phase 1 Bidder's intentions for the Business, including any plans or conditions related to Tacora's management and employees;
 - (viii) the equity, if any, to be allocated to the secured creditors, unsecured creditors, shareholders and/or any other stakeholder of Tacora;
 - (ix) a specific indication of the expected structure and financing of the transaction (including, but not limited to the sources of financing to fund the acquisition);
 - (x) an outline of any additional due diligence required to be conducted in order to submit a final and binding offer; and
 - (xi) any other terms or conditions of the Recapitalization Proposal which the Phase 1 Bidder believes are material to the transaction.
- (f) it provides written evidence, satisfactory to Tacora, in consultation with the Financial Advisor and the Monitor, of its ability to consummate the transaction within the timeframe contemplated by the Solicitation Process and to satisfy any obligations or liabilities to be assumed on closing of the transaction, including, without limitation, a specific indication of the sources of capital and, to the extent that the Phase 1 Bidder expects to finance any portion of the purchase price, the identity of the financing source and the steps necessary and associated timing to obtain the capital;
- (g) it provides any relevant details of the previous investments or acquisitions, or any other experience a Phase 1 Bidder has and deemed relevant by such Phase 1 Bidder, in the mining industry, including the date, nature of the investment, amount invested, geography and any other relevant information related to such investment;
- (h) it identifies all proposed material conditions to closing including, without limitation, any internal, regulatory or other approvals and any form of consent, agreement or other document required from a government body, stakeholder or other third party, and an estimate of the anticipated timeframe and any anticipated impediments for obtaining such conditions, along with information sufficient for Tacora, in consultation with the Financial Advisor, and the Monitor, to determine that these conditions are reasonable in relation to the Phase 1 Bidder;
- (i) it includes a statement disclosing any connections or agreements between the Phase 1 Bidder, on the one hand, and Tacora, its shareholders, creditors and

affiliates and all of their respective directors and officers and/or any other known Phase 1 Bidder, on the other hand;

- (j) it includes an acknowledgement that any Sale Proposal and/or Recapitalization Proposal is made on an “as-is, where-is” basis; and
- (k) it contains such other information as may be reasonably requested by Tacora, in consultation with the Financial Advisor and the Monitor.

Assessment of Phase 1 Bids

- 21. Following the Phase 1 Bid Deadline, Tacora, in consultation with the Financial Advisor and the Monitor, will assess the LOIs received by the Phase 1 Bid Deadline and determine whether such LOIs constitute Phase 1 Qualified Bids.
- 22. Tacora, in consultation with the Financial Advisor and the Monitor, may following the receipt of any LOI, seek clarification with respect to any of the terms or conditions of such LOI and/or request and negotiate one or more amendments to such LOI prior to determining if the LOI should be considered a Phase 1 Qualified Bid.
- 23. Tacora, in consultation with the Financial Advisor, and with the consent of the Monitor, may (a) waive compliance with any one or more of the requirements specified above and deem such non-compliant bid to be a Phase 1 Qualified Bid; or (b) reject any LOI if it is determined that such Bid does not constitute a Phase 1 Qualified Bid, is otherwise inadequate or insufficient, or is otherwise contrary to the best interests of Tacora and its creditors and other stakeholders.

Selection of Phase 2 Bidders

- 24. The Financial Advisor shall notify each Phase 1 Bidder in writing as to whether the Phase 1 Bidder has been determined to be a “**Phase 2 Bidder**” and therefore shall be permitted to proceed to Phase 2 by no later than December 4, 2023, at 12:00 p.m. (Eastern Time).

Phase 2 – Formal Binding Offers

Phase 2 Due Diligence

- 25. Each Phase 2 Bidder shall be invited to participate in on-site tours and inspections at the Scully Mine (within reason and not at the expense of Tacora maintaining “business as usual” operations).
- 26. Tacora, in consultation with the Financial Advisor and the Monitor, shall allow each Phase 2 Bidder such further access to due diligence materials and information relating to the Property and Business as they deem appropriate in their reasonable business judgment and subject to competitive and other business considerations.
- 27. Phase 2 Bidders shall be advised that management of Tacora are available to meet with them in respect of the formulation of their Bid. Any communications between Phase 2 Bidders and management of Tacora shall be supervised by representatives of the Financial Advisor and the Monitor, provided that the discussions shall remain confidential and shall not be disclosed without the consent of the parties to the discussion. With the prior consent of the Monitor and the Financial Advisor, which

consent may include such terms and conditions as the Monitor deems appropriate, Phase 2 Bidders may also communicate with Tacora's secured creditors in respect of the Solicitation Process. In connection with the foregoing, the Financial Advisor and the Monitor shall continue to have duties to the Court to ensure that the Solicitation Process proceeds in a manner that complies with the CCAA and the terms of the Solicitation Process. The provisions of this section are subject to further order of the Court.

28. Each Phase 2 Bidder will be prohibited from communicating with any other Phase 2 Bidder and their respective affiliates and their legal and financial advisors regarding the Transaction Opportunity during the term of the Solicitation Process, without the consent of Tacora and the Monitor, in consultation with the Financial Advisor. Such communications shall only occur on such terms as the Financial Advisor and the Monitor may determine.

Phase 2 Bids

29. A Phase 2 Bidder that wishes to make a definitive Transaction Proposal (a "**Phase 2 Bid**") shall submit a binding offer that complies with all of the following requirements to the Financial Advisor (including by email) with a copy to the Monitor (including by email) so as to be received by the Financial Advisor not later than 12:00 p.m. (Eastern Time) on January 19, 2024 (the "**Phase 2 Bid Deadline**"). Such Phase 2 Bid shall be a "**Phase 2 Qualified Bid**" if it meets all of the following criteria:
 - (a) it is received by the Phase 2 Bid Deadline;
 - (b) the Bid complies with all of the requirements set forth in respect of Phase 1 Qualified Bids other than the requirements set out in Sections 20(b) and 20(d)(ix) herein;
 - (c) the Bid is binding and includes a letter confirming that the Phase 2 Bid is irrevocable until the selection of the Successful Bidder and the Back-Up Bidder, if any, provided that if such Phase 2 Bidder is selected as the Successful Bidder or the Back-Up Bidder, its offer shall remain irrevocable until the earlier of (a) completion of the transaction with the Successful Bidder, and (b) February 23, 2024, subject to further extensions as may be agreed to under the applicable transaction agreement(s), with the consent of the Monitor;
 - (d) the Bid is in the form of duly authorized and executed transaction agreements, and in the case of:
 - (i) a Sale Proposal, the Bid includes an executed share or asset purchase agreement, including all exhibits and schedules contemplated thereby (other than exhibits and schedules that by their nature must be prepared by Tacora), together with a blackline to any model documents provided by Tacora during the Solicitation Process; and
 - (ii) a Recapitalization Proposal, the Bid includes the draft transaction documents contemplated to effect the Recapitalization Proposal, including all exhibits and schedules contemplated thereby (other than exhibits and schedules that by their nature must be prepared by Tacora),

together with a blackline to any model documents provided by Tacora during the Solicitation Process.

- (e) the Bid includes written evidence of a firm commitment for financing or other evidence of ability to consummate the proposed transaction satisfactory to Tacora, in consultation with the Financial Advisor and the Monitor;
- (f) the Bid is not subject to the outcome of unperformed due diligence, internal approval(s) or contingency financing;
- (g) any conditions to closing or required approvals, including any agreements or approvals with unions, regulators or other stakeholders, the anticipated time frame and any anticipated impediments for obtaining such approvals are set forth in detail, such that Tacora, the Financial Advisor and the Monitor, can assess the risk to closing associated with any such conditions or approvals;
- (h) the Bid fully discloses the identity of each entity that will be entering into the transaction or the financing (including through the issuance of debt in connection with such Bid and whether such party is assuming the Offtake Agreement or entering into an offtake or similar agreement with another party in connection with the Bid), or that is sponsoring, participating or benefiting from such Bid, and such disclosure shall include, without limitation: (i) in the case of a Phase 2 Bidder formed for the purposes of entering into the proposed transaction, the identity of each of the actual or proposed direct or indirect equity holders of such Phase 2 Bidder and the terms and participation percentage of such equity holder's interest in such Bid; and (ii) the identity of each entity that has or will receive a benefit from such Bid from or through the Phase 2 Bidder or any of its equity holders and the terms of such benefit;
- (i) the Bid provides a detailed timeline to closing with critical milestones;
- (j) the Bid is accompanied by a non-refundable good faith cash deposit (the "**Deposit**"), equal to 10% of the total cash component of the purchase price or investment contemplated under the Phase 2 Bid which shall be paid to the Monitor and held in trust pursuant to Section 39 hereof until the earlier of (i) closing of the Successful Bid or Back-Up Bid, as applicable; and (ii) rejection of the Phase 2 Bid pursuant to Section 38; and
- (k) The Bid includes acknowledgements and representations of the Phase 2 Bidder that: (i) it had an opportunity to conduct any and all due diligence desired regarding the Property, Business and Tacora prior to making its offer; (ii) it has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Property in making its Bid; and (iii) it did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Business, Property or Tacora or the completeness of any information provided in connection therewith, except to the extent otherwise provided under any definitive transaction agreement executed by Tacora.

Assessment of Phase 2 Bids

30. Following the Phase 2 Bid Deadline, Tacora in consultation with the Financial Advisor and the Monitor, will assess the Phase 2 Bids received by the Phase 2 Bid Deadline and determine whether such Bids constitute Phase 2 Qualified Bids.
31. Tacora, in consultation with the Financial Advisor, and with the consent of the Monitor, may waive strict compliance with any one or more of the requirements specified above and deem such non-compliant Bid to be a Phase 2 Qualified Bid.
32. Phase 2 Bids may not be modified, amended, or withdrawn after the Phase 2 Bid Deadline without the written consent of Tacora, in consultation with the Financial Advisor and the Monitor, except for proposed amendments to increase the purchase price or otherwise improve the terms of the Phase 2 Bid for Tacora.
33. Tacora, in consultation with the Financial Advisor and with the consent of the Monitor, may reject any Phase 2 Bid if it is determined that such Bid does not constitute a Phase 2 Qualified Bid, is otherwise inadequate or insufficient, or is otherwise contrary to the best interest of Tacora and its creditors and other stakeholders.

Evaluation of Qualified Bids and Subsequent Actions

34. Following the Phase 2 Bid Deadline, Tacora, the Financial Advisor and the Monitor will review the Phase 2 Qualified Bids. In performing such review and assessment, the Financial Advisor, Tacora, and the Monitor may evaluate the following non-exhaustive list of considerations: (a) the purchase price and net value (including assumed liabilities and other obligations to be performed by the Phase 2 Bidder); (b) the firm, irrevocable commitment for financing of the transaction; (c) the claims likely to be created by such Bid in relation to other Bids; (d) the counterparties to the transaction; (e) the terms of transaction documents; (f) the closing conditions and other factors affecting the speed, certainty and value of the transaction; (g) planned treatment of stakeholders, including employees; (h) the assets included or excluded from the Bid; (i) any restructuring costs that would arise from the Bid; (j) the likelihood and timing of consummating the transaction; (k) the capital sufficient to implement post-closing measures and transactions; and (l) any other factors that the Financial Advisor, Tacora, and Monitor may deem relevant in their sole discretion.
35. Following evaluation of the Phase 2 Qualified Bids, Tacora may, in consultation with the Financial Advisor and the Monitor:
 - (a) accept one of the Phase 2 Qualified Bids (the “**Successful Bid**” and the offeror making such Successful Bid the “**Successful Bidder**”) and take such steps as may be necessary to finalize definitive transaction documents for the Successful Bid with Successful Bidder;
 - (b) continue negotiations with Phase 2 Bidders who have submitted a Phase 2 Qualified Bids with a view to finalizing acceptable terms with one or more of Bidders that submitted Qualified Phase 2 Bids; or
 - (c) schedule an auction with all Bidders that submitted Qualified Phase 2 Bids to determine the Successful Bid in accordance with auction procedures

determined by the Financial Advisor and the Monitor, in consultation with Cargill and the Ad Hoc Group, provided they or any of their members are not Bidders that submitted Qualified Phase 2 Bids, which procedures shall be provided to all Bidders that submitted Phase 2 Qualified Bids at least four (4) Business Days prior to an auction.

36. Tacora, in consultation with the Financial Advisor and the Monitor, may select the next highest or otherwise best Qualified Phase 2 Bid which is a Sale Proposal or Recapitalization Proposal to be a back-up bid (the “**Back-Up Bid**” and such bidder, the “**Back-Up Bidder**”). For greater certainty, Tacora shall not be required to select a Back-Up Bid.
37. If a Successful Bidder fails to consummate the Successful Bid for any reason, then the Back-Up Bid will be deemed to be the Successful Bid and Tacora will proceed with the transaction pursuant to the terms of the Back-Up Transaction Bid. Any Back-Up Bid shall remain open for acceptance until the completion of the transaction with the Successful Bidder.
38. All Qualified Phase 2 Bids (other than the Successful Bid, the Back-Up Bid) shall be deemed rejected by Tacora on and as of the date of the execution of the definitive documents contemplated by the Successful Bid by Tacora.
39. All Deposits will be retained by the Monitor and deposited in a trust account. The Deposit (without interest thereon) paid by the Successful Bidder and Back-Up Bidder whose bid(s) is/are approved at the Approval Motion will be applied to the purchase price to be paid or investment amount to be made by the Successful Bidder and/or Back-Up Bidder, as applicable upon closing of the approved transaction and will be non-refundable, other than in the circumstances set out in the Successful Bid or the Back-Up Bid, as applicable. The Deposits (without interest) of Qualified Bidders not selected as the Successful Bidder and Back-Up Bidder will be returned to such bidders within five (5) Business Days after the selection of the Successful Bidder and Back-Up Bidder or any earlier date as may be determined by the Monitor, in consultation with the Financial Advisor and Tacora. The Deposit of the Back-Up Bidder, if any, shall be returned to such Back-Up Bidder no later than five (5) Business Days after closing of the transaction contemplated by the Successful Bid.
40. If a Successful Bidder or Back-Up Bidder breaches its obligations under the terms of the Solicitation Process, its Deposit shall be forfeited as liquidated damages and not as a penalty, without limiting any other claims or actions that Tacora may have against such Successful Bidder or Back-Up Bidder and/or their affiliates.
41. If no Qualified Phase 2 Bids are received by the Phase 2 Bid Deadline, the Solicitation Process shall automatically terminate.

Approval Motion

42. Prior to the Approval Motion, the Monitor shall provide a report to the Court providing information on the process and including its recommendation in connection with the relief sought at the Approval Motion. At the Approval Motion, Tacora shall seek the Approval Order.

43. The consummation of the transaction contemplated by the Successful Bid, or the Back-Up Bid if the Successful Bid does not close, will not occur unless and until the Approval Order is granted.

“As Is, Where Is”

44. Any sale of the Business and/or Property or any investment in Tacora or its Business will be on an “as is, where is” basis and without surviving representations or warranties of any kind, nature, or description by the Financial Advisor, Tacora, or Monitor, or their advisors or agents, except to the extent otherwise provided under any definitive sale or investment agreement with the Successful Bidder executed by Tacora. None of the Financial Advisor, Tacora, or Monitor, or their advisors or agents, including the Financial Advisor, make any representation or warranty as to the information contained in the Teaser Letter, any management presentation or the VDR, except to the extent otherwise provided under any definitive sale or investment agreement with the Successful Bidder executed by Tacora. Each Phase 2 Bidder is deemed to acknowledge and represent that: (a) it has had an opportunity to conduct any and all due diligence regarding the Business and Property prior to making its Phase 2 Bid; (b) it has relied solely on its own independent review, investigation, and/or inspection of any documents and/or the Business and Property in making its Bid; and (c) it did not rely on any written or oral statements, representations, promises, warranties, conditions or guaranties whatsoever, whether express, implied, by operation of law or otherwise, regarding the Business and Property, or the completeness of any information provided in connection therewith, except to the extent otherwise provided under any definitive sale or investment agreement executed by Tacora.

No Entitlement to Expense Reimbursement or Other Amounts

45. Phase 1 Bidders and Phase 2 Bidders shall not be entitled to any breakup fee, termination fee, expense reimbursement, or similar type of payment or reimbursement.

Jurisdiction

46. Upon submitting an LOI or a Phase 2 Bid, the Phase 1 Bidder or the Phase 2 Bidder, as applicable, shall be deemed to have submitted to the exclusive jurisdiction of the Court with respect to all matters relating to the Solicitation Process and the terms and conditions of this Solicitation Process, any Sale Proposal or Recapitalization Proposal.
47. For the avoidance of doubt, the approvals required pursuant to the terms hereof are in addition to, and not in substitution for, any other approvals required by the CCAA or any other statute or as otherwise required at law in order to implement a Successful Bid.
48. Neither Tacora, the Financial Advisor nor the Monitor shall be liable for any claim for a brokerage commission, finder’s fee or like payment in respect of the consummation of any of the transactions contemplated under the Solicitation Process arising out of any agreement or arrangement entered into by the parties that submitted the Successful Bid and Back-Up Bid.
49. The Monitor shall supervise the Solicitation Process as outlined herein. In the event that there is disagreement or clarification is required as to the interpretation or application

of this Solicitation Process the responsibilities of the Monitor, the Financial Advisor or Tacora hereunder, the Court will have jurisdiction to hear such matter and provide advice and directions, upon application of the Monitor or Tacora or any other interested party with a hearing which shall be scheduled on not less than three (3) Business Days' notice.

APPENDIX A

DEFINED TERMS

- (a) “**Ad Hoc Group**” means the ad hoc group of holders of the Senior Notes and Senior Priority Notes issued by Tacora.
- (b) “**Approval Motion**” means the motion seeking approval by the Court of the Successful Bid with the Successful Bidder, if applicable, any Back-Up Bid if the Successful Bid is not consummated.
- (c) “**Approval Order**” means an order of the Court approving, among other things, if applicable the Successful Bid and the consummation thereof, if applicable, any Back-Up Bid if the Successful Bid is not consummated, and if applicable, the Successful Bid;
- (d) “**Back-Up Bid**” shall have the meaning attributed to it in Section 36;
- (e) “**Back-Up Bidder**” shall have the meaning attributed to it in Section 36;
- (f) “**Bid**” shall have the meaning attributed to it in Section 19
- (g) “**Business**” shall have the meaning attributed to it in the preamble;
- (h) “**Business Day**” means a day, other than a Saturday, Sunday or a statutory holiday, on which banks are generally open for business in Toronto, Ontario;
- (i) “**Cargill**” means Cargill International Trading PTE Ltd. and its affiliates.
- (j) “**CCAA**” shall have the meaning attributed to it in the preamble;
- (k) “**Court**” shall have the meaning attributed to it in the preamble;
- (l) “**DIP Agreement**” means the DIP Loan Agreement between Tacora and Cargill, Incorporated, dated October 9, 2023, as may be amended from time to time;
- (m) “**Financial Advisor**” shall have the meaning attributed to it in the preamble;
- (n) “**Initial Order**” shall have the meaning attributed to it in the preamble;
- (o) “**LOI**” shall have the meaning attributed to it in Section 19;
- (p) “**Monitor**” shall have the meaning attributed to it in the preamble;
- (q) “**Monitor’s Website**” means <http://cfcanada.fticonsulting.com/Tacora>;
- (r) “**NDA**” shall have the meaning attributed to it in Section 11(d);
- (s) “**Offtake Agreement**” means the Restatement of the Iron Ore Sale and Purchase Agreement dated November 11, 2018, as amended;
- (t) “**Offtake Opportunity**” shall have the meaning attributed to it in the Section 3;

- (u) **“Phase 1 Bid Deadline”** shall have the meaning attributed to it in Section 19;
- (v) **“Phase 1 Bidder”** shall have the meaning attributed to it in Section 13;
- (w) **“Phase 1 Qualified Bid”** shall have the meaning attributed to it in Section 19;
- (x) **“Phase 2 Bid”** shall have the meaning attributed to it in Section 29;
- (y) **“Phase 2 Bid Deadline”** shall have the meaning attributed to it in Section 29;
- (z) **“Phase 2 Bidder”** shall have the meaning attributed to it in Section 24;
- (aa) **“Phase 2 Qualified Bid”** shall have the meaning attributed to it in Section 29;
- (bb) **“Potential Bidder”** shall have the meaning attributed to it in Section 11(a);
- (cc) **“Property”** shall have the meaning attributed to it in the preamble;
- (dd) **“Recapitalization Proposal”** shall have the meaning attributed to it in Section 20(c)(i);
- (ee) **“Sale Proposal”** shall have the meaning attributed to it in Section 20(c)(i);
- (ff) **“Scully Mine”** shall have the meaning attributed to it in the preamble;
- (gg) **“Solicitation Order”** shall have the meaning attributed to it in the preamble;
- (hh) **“Solicitation Process”** shall have the meaning attributed to it in the preamble;
- (ii) **“Solicitation Procedures”** shall have the meaning attributed to it in the preamble;
- (jj) **“Stalking Horse Bid”** shall have the meaning attributed to it in Section ;
- (kk) **“Successful Bid”** shall have the meaning attributed to it in Section 35; and
- (ll) **“Successful Bidder”** shall have the meaning attributed to it in Section 35.
- (mm) **“Teaser Letter”** shall have the meaning attributed to it in Section 11(d);
- (nn) **“Transaction Opportunity”** shall have the meaning attributed to it in Section 2.

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985,
c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF TACORA RESOURCES INC.

Court File No.

(Applicant)

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

PROCEEDINGS COMMENCED AT TORONTO

**ORDER
(Solicitation Order)**

STIKEMAN ELLIOTT LLP
5300 Commerce Court West
199 Bay Street
Toronto, ON M5L 1B9

Ashley Taylor (LSO #39932E)
Tel: 416-869-5236
Email: ataylor@stikeman.com

Lee Nicholson (LSO #66412I)
Tel: 416-869-5604
Email: leenicholson@stikeman.com

Natasha Rambaran (LSO #80200N)
Tel: 416-869-5504
Email: nrambaran@stikeman.com

Philip Yang (LSO #82084O)
Tel: 416-869-5593
Email: pyang@stikeman.com

Counsel to Tacora Resources Inc.

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS
AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF TACORA
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PROCEEDING COMMENCED AT TORONTO

APPLICATION RECORD

STIKEMAN ELLIOTT LLP

Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, Canada M5L 1B9

Ashley Taylor (LSO #39932E)

Tel: (416) 869-5236
Email: ataylor@stikeman.com

Lee Nicholson (LSO #66412I)

Tel: (416) 869-5604
Email: leenicholson@stikeman.com

Natasha Rambaran (LSO #80200N)

Tel: (416) 869-5504
Email: nrambaran@stikeman.com

Philip Yang (LSO #82084O)

Tel : (416) 869-5593
Email: pyang@stikeman.com

Counsel to the Applicant, Tacora Resources
Inc.