

Court File No. CV-23-00707394-00CL

Tacora Resources Inc.

**NINTH REPORT OF FTI CONSULTING CANADA INC.,
IN ITS CAPACITY AS COURT-APPOINTED MONITOR**

June 3, 2024

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**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)

**NINTH REPORT TO THE COURT
SUBMITTED BY FTI CONSULTING CANADA INC.,
IN ITS CAPACITY AS MONITOR**

INTRODUCTION

1. Pursuant to an Order (the “**Initial Order**”) of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated October 10, 2023, Tacora Resources Inc. (“**Tacora**” or the “**Applicant**”) was granted protection under the *Companies' Creditors Arrangement Act*, R.S.C., c. C-36, as amended (the “**CCAA**” and in reference to the proceeding, the “**CCAA Proceeding**”) and FTI Consulting Canada Inc. was appointed monitor of the Applicant (in such capacity, the “**Monitor**”).
2. The Initial Order, among other things (i) granted a stay of proceedings until October 20, 2023 (the “**Stay Period**”); and (ii) approved a DIP Facility Term Sheet (the “**DIP Agreement**”) dated October 9, 2023, between the Applicant as borrower and Cargill Inc. as lender (“**Cargill**”, and in such capacity, the “**DIP Lender**”), pursuant to which the DIP Lender agreed to advance up to a maximum principal amount of \$75 million to the Applicant.
3. On October 30, 2023, the Court granted an Order amending and restating the Initial Order (the “**ARIO**”) which, among other things, approved a key employee retention plan (the “**KERP**”) for 34 individuals (the “**Key Employees**”) and granted a related charge to secure payments under the KERP (the “**KERP Charge**”). The aggregate amount of potential bonus payments under the KERP is \$3,035,000.
4. As described in the Monitor’s prior reports to Court,¹ also on October 30, 2023, the Court approved a sale, investment and services solicitation process (the “**Solicitation Process**”) and on February

¹ The Monitor has filed the Pre-Filing Report of the Monitor dated October 9, 2023, the First Report of the Monitor dated October 20, 2023, the Second Report of the Monitor dated January 18, 2024, the Third Report of the Monitor dated March 13, 2024, the Fourth Report of the Monitor dated March 14, 2024 (the “**Fourth Report**”), the Supplement

- 2, 2024, the Applicant served and filed a motion (the “**Sale Approval Motion**”) seeking, *inter alia*, approval of a subscription agreement entered into between Tacora and the Investors² as the Successful Bid (as defined in the Solicitation Process).
5. Cargill subsequently filed a motion (the “**Cargill Preliminary Threshold Motion**”) seeking an order, *inter alia*, prohibiting Tacora from obtaining the relief set out in the Sale Approval Motion as it relates to the Cargill Offtake Agreement absent a valid disclaimer of the Cargill Offtake Agreement.
 6. Following case conferences on February 6 and 9, 2024, Justice Kimmel issued an endorsement scheduling the Sale Approval Motion and Cargill Preliminary Threshold Motion to be heard on April 10, 11 and 12, 2024.
 7. On March 1, 2024, Cargill filed a cross-motion for, among other things, a meeting order and a claims procedure order for the identification and quantification of certain claims against Tacora.
 8. On April 10, 2024, the Monitor filed the Second Supplemental Fourth Report, which confirmed to the Court and informed the service list that on April 9, 2024, the Monitor was advised by counsel to the Investors that the Investors were not willing to proceed with the Successful Bid and, as a result, the Applicant was unable to proceed with the Sale Approval Motion scheduled for April 10, 2024.
 9. At case conferences held on April 10 and 11, 2024, Justice Kimmel was advised that the Applicant had withdrawn the Sale Approval Motion and the Cargill Preliminary Threshold Motion had been adjourned accordingly. Counsel for the Applicant further advised Justice Kimmel that they were in discussions with stakeholders and intended to return to Court to seek approval of a further amendment to the DIP Agreement,³ a proposed claims procedure order and an extension of the Stay Period.

to the Fourth Report dated March 26, 2024, the Second Supplement to the Fourth Report dated April 10, 2024, (the “**Second Supplemental Fourth Report**”), the Fifth Report of the Monitor dated April 7, 2024, the Sixth Report of the Monitor dated April 9, 2024, the Seventh Report of the Monitor dated April 14, 2024, the Eighth Report of the Monitor dated April 21, 2024 (the “**Eighth Report**”) and the Supplement to the Eighth Report of the Monitor dated April 24, 2024 (collectively, the “**Prior Reports**”).

² The Investors comprise of a consortium consisting of (i) Brigade Capital Management, L.P., Millstreet Capital Management LLC, MSD Partners, L.P., O’Brien-Staley Partners and Snowcat Capital Management (collectively, the “**Ad Hoc Group**”); (ii) Resource Capital Fund VII L.P. and (iii) Javelin Global Commodities (SG) Pte Ltd. (collectively, the “**Investors**”).

³ As described in the Prior Reports, the DIP Agreement was previously amended pursuant to an Order of the Court issued on March 18, 2024.

10. On April 23, 2024, the Court granted an order (the “**Claims Procedure Order**”), approving a claims process (the “**Claims Process**”) to solicit, identify, quantify and, if appropriate, resolve the Claims (as defined in the Claims Procedure Order) against the Applicant and their Directors and Officers (each as defined in the Claims Procedure Order). Additionally, on April 26, 2024, the Court granted an order which, among other things, extended the Stay Period to June 24, 2024⁴ and approved the Amended and Restated DIP Facility Term Sheet dated April 21, 2024 between the Applicant and the DIP Lender (the “**Amended DIP Agreement**”).
11. On May 16, 2024, the Applicant delivered to Cargill: (i) a ‘Notice by Debtor Company to Disclaim or Resiliate an Agreement’ in accordance with section 32(1) of the CCAA (the “**Disclaimer Notice**”) disclaiming the Offtake Agreement and the Stockpile Agreement (each as defined below); and (ii) a letter, setting forth the reasons for the issuance of the Disclaimer Notice pursuant to section 32(8) of the CCAA (the “**Disclaimer Letter**”).
12. On May 21, 2024, in advance of a case conference on May 22, 2024, the Applicant filed an Aide Memoire advising the Court that the Applicant, the Ad Hoc Group and Cargill continue to engage in discussions around a potential consensual restructuring. The Applicant proposed to proceed on a dual track process whereby the Applicant would continue with negotiations to hopefully reach a consensual resolution but also sought to schedule various motions, including: (i) a motion (the “**Sale Process Motion**”) to seek approval of a sale process (the “**Sale Process**”) and additional ancillary relief, including an order extending the Stay Period; (ii) a motion to address Cargill’s anticipated objection to the Disclaimer Notice (the “**Cargill Disclaimer Motion**”); and (iii) the Cargill Preliminary Threshold Motion. The Applicant proposed a draft timeline for these motions.
13. At the case conference on May 22, 2024, Cargill advised that it was considering bringing additional motions. Accordingly, the case conference was continued to May 24, 2024. Prior to the May 24, 2024 case conference, Cargill filed an aide memoire advising that four motions should be briefed, heard and determined in parallel, namely: (i) the Sale Process Motion; (ii) Cargill’s amended cross-motion seeking a meeting order (the “**Cargill Meeting Order (Plan) Motion**”); (iii) a motion to be brought by Cargill for a declaration that an RVO structure is not available to a debtor in circumstances such as these (the “**Cargill Global Process (RVO Declaration) Motion**”); and (iv) a reconstituted version of the Cargill Preliminary Threshold Motion, amended and supplemented so as to be brought by Tacora. Cargill further requested that the Cargill Disclaimer Motion not be

⁴ The Stay Period was previously extended by Orders granted on October 13, 2023, October 27, 2023, January 24, 2024, March 25, 2024 and April 26, 2024.

scheduled unless and until the Cargill Global Process (RVO Declaration) Motion had been determined.

14. Following a case conference on May 24, 2024, Justice Kimmel issued an endorsement (the “**May 24 Endorsement**”) scheduling the following motions:
 - (a) on June 5, 2024:
 - (i) the Tacora Sale Process Motion; and
 - (ii) the Cargill Meeting Order (Plan) Motion; and
 - (b) on June 26, 2024 (the “**June 26 Motions**”):
 - (i) the Cargill Preliminary Threshold Motion, to be reconstituted and supplemented in a notice of motion delivered by the Applicant by May 31, 2024;
 - (ii) the Cargill Global Process (RVO Declaration) Motion; and
 - (iii) the Cargill Disclaimer Motion.
15. The May 24 Endorsement also directed the participating parties to establish a timetable for the motions and directed the Monitor to file such timetable with the Court by May 31, 2024 and encouraged the parties to continue to work towards a global resolution in the interim. A copy of the May 24 Endorsement is attached hereto as Appendix “A”.
16. Following the issuance of the May 24 Endorsement, Cargill advised the Applicant and the Monitor that it would no longer be pursuing the Cargill Meeting Order (Plan) Motion.
17. As contemplated by the May 24 Endorsement, the parties worked to develop a timetable (the “**Motions Timetable**”) for the upcoming motions. On May 30, 2024 Cargill advised the Monitor that it would no longer be proceeding with the Global Process (RVO Declaration) Motion on June 26, 2024 but sought to reserve its rights to raise such matters on any opposed future RVO application in the future. Tacora and the Monitor believe that such motion can only be withdrawn with prejudice and cannot be raised again in future given the schedule that was set by the Court in the May 24 Endorsement. On the afternoon of May 31, 2024, the Monitor provided the Court with the Motions Timetable and noted the parties positions regarding the Global Process (RVO Declaration) Motion and that Tacora and the Monitor intend to address the Court on this point on June 5, 2024. A copy of the Motions Timetable is attached hereto as Appendix “B”.

18. Also on May 31, 2024, in accordance with the May 24 Endorsement:
 - (a) the Applicant served a notice of motion for the reconstituted Cargill Preliminary Threshold Motion seeking a declaration that the Offtake Agreement and the Debt Documents (as defined in therein) may, as a matter of law, be transferred to and vested in a newly incorporated company pursuant to an RVO; and
 - (b) Cargill served a notice of motion for the Cargill Disclaimer Motion seeking an order (i) declaring that the Offtake Agreement and Stockpile Agreement are not disclaimed, despite the Notice of Disclaimer; (ii) declaring that the Offtake Agreement and Stockpile Agreement continue to bind Tacora and are otherwise enforceable against it; and (iii) permanently sealing the materials in connection with the Cargill Disclaimer Motion.
19. All references to monetary amounts in this Ninth Report to Court of the Monitor (the “**Ninth Report**”) are in United States dollars unless otherwise noted. Any capitalized terms not defined herein have the meanings given to them in the affidavit of Heng Vuong sworn May 31, 2024 (the “**First Vuong Affidavit**”).
20. Further information regarding the CCAA Proceeding, including all materials publicly filed in connection with these proceedings, is available on the Monitor’s website at <http://cfcanada.fticonsulting.com/tacora> (the “**Monitor’s Website**”).

PURPOSE

21. The purpose of this Ninth Report is to provide information to the Court with respect to:
 - (a) the relief sought by the Applicant in its proposed Order (the “**Sale Process Order**”), including:
 - (i) approving the Sale Process; and
 - (ii) authorizing and directing Tacora and the Monitor to commence the Sale Process and take all actions as may be necessary or desirable to implement and carry out the Sale Process in accordance with its terms and the Sale Process Order; and
 - (b) the relief sought by the Applicant in its proposed Order (the “**Stay Extension & Ancillary Order**”), including:
 - (i) extending the Stay Period to July 29, 2024;

- (ii) authorizing the Applicant to reallocate the amounts payable under the KERP that were earmarked for Key Employees who have resigned from Tacora to certain other Key Employees and an Additional Key Employee (as defined below);
- (c) the Applicant's actual cash receipts and disbursements for the 6-week period ending May 19, 2024;
- (d) the Applicant's updated cash flow forecast for the period ending July 28, 2024 (the "**June 2024 Forecast**"), attached hereto as Appendix "C";
- (e) the Monitor's activities since the date of the Eighth Report; and
- (f) the Monitor's views in respect of the relief sought by the Applicant.

TERMS OF REFERENCE AND DISCLAIMER

- 22. In preparing this Ninth Report, the Monitor has relied upon audited and unaudited financial information of Tacora's books and records, and discussions and correspondence with, among others, management of and advisors to Tacora as well as other stakeholders and their advisors ("**Information**").
- 23. Except as otherwise described in this Ninth Report:
 - (a) the Monitor has not audited, reviewed, or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Auditing Standards pursuant to the Chartered Professional Accountants of Canada Handbook; and
 - (b) the Monitor has not examined or reviewed the financial forecasts or projections referred to in this Ninth Report in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.
- 24. Future-oriented financial information reported in or relied on in preparing this Ninth Report is based on assumptions regarding future events. Actual results may vary from these forecasts, and such variations may be material.
- 25. The Monitor has prepared this Ninth Report to provide information to the Court in connection with the relief requested by the Applicant. This Ninth Report should not be relied on for any other purpose.

UPDATE ON THE CCAA PROCEEDING

Upcoming Motions

26. As described above, the Applicant continues to work with Cargill and the Ad Hoc Group to reach a consensual, going concern solution for the Applicant, while at the same time preparing for the scheduled motions in accordance with the Motions Timetable and initiating the Sale Process.
27. The Monitor understands that the Applicant continues to pursue multiple paths at the same time, in an effort to facilitate a timely, successful emergence from this CCAA Proceeding.

Disclaimer Notice of Offtake Agreement

28. As noted above, the Disclaimer Notice was delivered to Cargill on May 16, 2024, notifying Cargill of the Applicant's intention to disclaim the: (i) offtake agreement between Tacora, as seller, and Cargill, as buyer, dated April 5, 2017 (as amended from time to time, the "**Offtake Agreement**"); and (ii) iron ore stockpile purchase agreement between Tacora, as seller, and Cargill, as buyer, dated April 17, 2019 (as amended and restated from time to time, the "**Stockpile Agreement**").
29. In the Disclaimer Letter, the Applicant stated that the reasons for the issuance of the Disclaimer Notice included, in addition to others:
 - (a) disclaiming the Offtake Agreement will increase Tacora's chances of successfully identifying a going-concern transaction for its business and exiting the CCAA Proceedings since market feedback to date from third-party investors has indicated that parties are unwilling to invest new money in Tacora to fund its necessary capital expenditures while the current life-of-mine Offtake Agreement remains in place; and
 - (b) the Offtake Agreement is significantly off market and prohibitive in comparison to other potential available replacement agreements, and therefore significantly more expensive for Tacora than a replacement, market agreement.
30. The Applicant, with the assistance of Greenhill & Co. Canada Ltd. ("**Greenhill**"), as financial advisor, have commenced solicitation of replacement offtake and/or marketing agreements to replace the Offtake Agreement either during the CCAA Proceedings or in connection with a transaction identified in the Sales Process.
31. As stated in Prior Reports, the Monitor agrees with the conclusion previously reached by the Applicant that the Offtake Agreement is off-market, significantly inhibits Tacora's ability to raise

capital to fund the necessary capital projects to enable production ramp-up and that Tacora cannot be restructured with the current Cargill Offtake Agreement in place.⁵

32. As described above, on May 31, 2024 Cargill served its Notice of Motion in connection with Cargill Disclaimer Motion, whereby it sets out its reasons for why the Offtake Agreement and Stockpile Agreement cannot be disclaimed pursuant to the CCAA, including:
- (a) The nature of the Agreements as “eligible financial contracts”;
 - (b) The nature of the Agreements as “financing agreements”; and
 - (c) The proposed Disclaimer would not enhance the prospects of a viable compromise or arrangement.
33. The Motions Timetable contemplates the Monitor delivering a separate report on the June 26 Motions on June 19, 2024 which will address the Disclaimer Notice more fully at that time

Amounts Owning by Cargill

34. The Monitor understands that, in accordance with certain goods provided by the Applicant to Cargill pursuant to the Offtake Agreement and the Stockpile Agreement, there are outstanding amounts owing by Cargill to the Applicant in the approximate amounts of: (i) \$10,368,105.60 for iron ore delivered to Cargill at the stockpile pre-filing; and (ii) \$1,880,506.20 for certain amounts in respect of iron ore delivered to Cargill where the final purchase price under the Offtake Agreement settled post-filing(collectively, the “**Outstanding Amounts**”).
35. The Applicant has issued a demand letter to counsel for Cargill dated May 16, 2024 (the “**Demand Letter**”), demanding payment of the Outstanding Amounts. A copy of the Demand Letter is attached hereto as Appendix “D”.
36. Cargill has not provided a response to the Demand Letter and as of the date of this Report, the Outstanding Amounts have not been paid.

Correspondence with Caterpillar

37. As previously discussed in the Eighth Report, the Applicant leases certain equipment (collectively, the “**Caterpillar Equipment**” and such leases, the “**Caterpillar Lease Agreements**”) from

⁵ Second Supplemental Fourth Report at para 29.

Caterpillar Financial Services Limited (“**Caterpillar**”). The Caterpillar Equipment is essential to the Applicant’s ability to continue to operate during the CCAA Proceeding.

38. As set out in the Eighth Report, Caterpillar and Tacora have exchanged a series of correspondence regarding the Caterpillar Equipment. After the withdrawal of the Sale Approval Motion, counsel to Caterpillar informed the Applicant that: (i) its view was that the Caterpillar Lease Agreements were a “true lease”, and thus demanded that the Applicant make payment for all amounts due thereunder; and (ii) barring such payment in full, it intended to oppose any proposed extension of the Stay Period and bring a cross-motion to lift the stay of proceedings in order to seize the Caterpillar Equipment.
39. In connection with the foregoing, counsel to Caterpillar sent a letter to counsel to the Applicant dated May 28, 2024 (the “**May 28 Letter**”), informing the Applicant that they had received instructions from Caterpillar to bring a motion seeking an order lifting the stay of proceedings and were preparing materials accordingly. A copy of the May 28 Letter is attached hereto as Appendix “E”.

UPDATE ON THE CLAIMS PROCEDURE

40. For the purpose of this section only, capitalized terms used and not defined herein have the meanings ascribed thereto in the Claims Procedure Order.
41. As discussed in detail in the Eighth Report, the Applicant developed the Claims Process to determine the nature, quantum, and validity of Claims against the Applicant and their Directors and Officers in a flexible, fair, comprehensive, and expeditious manner.
42. In accordance with the Claims Procedure Order, the Applicant provided the Monitor with a list of Known Claimants and information pertaining to their Known Claims.
43. On April 30, 2024, the Monitor, with the assistance of the Applicant: (i) sent a Claims Package to two hundred and forty (240) Known Claimants; and (ii) sent a Claims Package to twenty-seven (27) additional Persons that the Monitor became aware of who may have a Claim against the Applicant or the Directors or Officers.
44. On April 29, 2024, the Monitor caused to be published a Notice to Claimants in The Globe and Mail (National Edition) (a copy of which is attached hereto as Appendix “F”) and created a section within the Case Website where the Notice to Claimants, Claims Package and Claim Procedure Order have been posted.

45. The Claims Bar Date for Pre-Filing Claims and D&O Claims was 5:00pm on May 31, 2024.
46. As of the date of this report, the Monitor has received:
 - (a) thirty (30) Notices of Dispute from Known Claimants; and
 - (b) nine (9) Proofs of Claims.
47. The Monitor is in the process of recording and categorizing all Notices of Dispute and Proofs of Claim that have been received to date and working with the Applicant on responding to these. The Monitor has also engaged in discussions with numerous stakeholders in respect of the Claims Process and general questions they had in respect thereof.
48. A further update on the Claims Procedure will be provided in a future Report to the Court.

THE SALE PROCESS ORDER

49. The Applicant seeks approval of the proposed Sale Process Order. A copy of the proposed sale procedures for the Sale Process is attached hereto as Appendix “G” (the “**Sale Procedures**”). Capitalized terms used in this section and not defined herein have the meanings ascribed thereto in the Sale Procedures.

THE SALE PROCESS

50. As described in the First Vuong Affidavit and the Prior Reports, a sale process was conducted prior to the CCAA Filing Date and the Solicitation Process was conducted during the CCAA Proceeding. In light of the thoroughness of those prior processes, the proposed Sale Process contemplates a single-phase bid process, potentially followed by an Auction.
51. Based on the decision of the Court in respect of the June 26 Motions, the proposed Sale Procedures provide that Tacora will determine whether all Bidders will be required to submit their Bid in the form of a subscription agreement (the “**Subscription Agreement**”) for all the shares of Tacora (the “**Shares**”) to be implemented pursuant to an RVO or in the form of an asset purchase agreement (“**APA**”) for all or substantially all of Tacora’s Property and the Business (the “**Opportunity**”).⁶
52. The proposed Sale Procedures are typical of the type of single-phase process utilized in insolvency proceedings and will be undertaken by the Applicant with the assistance of Greenhill, as financial

⁶ The determination of whether the Opportunity will be constructed as a share- or asset-sale is contingent upon the Court’s determination of the Preliminary Motions.

advisor to the Applicant under the supervision of the Monitor. The proposed Sale Procedures provide for a fair and transparent process to obtain the highest and/or best offer for the Opportunity.

53. The Sale Procedures contemplate the following steps being taken to solicit interest in the Opportunity:
- (a) the Monitor will post to the Case Website: (i) a notice of the proposed Sale Process; and (ii) additional relevant information regarding the proposed Sale Process that the Monitor, in consultation with the Applicant and Greenhill, consider to be appropriate; and
 - (b) Greenhill, in consultation with the Applicant and the Monitor, will (i) contact financial and strategic parties that Greenhill believes may be able to submit or participate in a Qualified Bid in connection with the Sale Process (each, a “**Potential Bidder**”); and (ii) provide each Potential Bidder with a form of non-disclosure agreement satisfactory to Greenhill, Tacora, the Monitor, and their respective counsel (an “**NDA**”).

The Monitor understands that Greenhill has already begun contacting Potential Bidders and Greenhill also provided a process letter to Potential Bidders describing the contemplated Sales Procedures on May 24, 2024. A copy of the process letter is attached hereto as Appendix “H”.

54. Upon each Potential Bidder’s execution of an NDA (each such party, a “**Bidder**”), they have been granted access to the VDR. It is proposed that the VDR will include, among other things a template form of Subscription Agreement or APA, prepared by the Applicant in consultation with Greenhill and the Monitor. The Template Subscription Agreement or Template APA, as applicable, will be provided to Bidders within three (3) days following the Court’s decision on the June 26 Motions and any Bidder that wishes to submit a definitive transaction proposal (a “**Bid**”) for the Opportunity will be required to do so in a form that complies with the Template Subscription Agreement or Template APA, as applicable.
55. The proposed Sale Procedures provide that:
- (a) in order for a Bid to be a Qualified Bid, it must: (i) comply with the requirements set out in Section 10 of the Sale Procedures (which are the same bid requirements as those included in the prior Solicitation Process); and (ii) be submitted and received by Greenhill, with a copy to the Monitor, by the Bid Deadline, being 5:00 p.m. Eastern time on July 12, 2024, or such later date as may be agreed to by the Applicant, in consultation with Greenhill and with the consent of the Monitor;

- (b) the Applicant, in consultation with Greenhill and with consent of the Monitor may reject a Bid if it determines that such Bid does not constitute a Qualified Bid, provided that the Applicant, in consultation with Greenhill and the Monitor, may: (i) waive strict compliance with any one or more of the requirements and deem a non-compliant Bid to be a Qualified Bid; or (ii) seek to combine separate Bids to create a Qualified Bid. For clarity, the Applicant will not be obligated in any instance to do any of the foregoing to make a non-compliant Bid a Qualified Bid;
- (c) if there is only one (1) Qualified Bid received, such Qualified Bid may be declared the Successful Bid;
- (d) if there are two (2) or more Qualified Bids, the Applicant may, in consultation with Greenhill and the Monitor, either:
 - (i) request or negotiate one or more amendments to any Qualified Bids;
 - (ii) accept one of the 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 the Successful Bidder and select the next highest or otherwise best Qualified Bid to be a back-up bid (the “**Back-Up Bid**”). For greater certainty, the Applicant will not be required to select a Back-Up Bid; or
 - (iii) identify the highest and/or the best Qualified Bid received to be the starting bid for the purposes of the Auction (the “**Opening Bid**”);
- (e) if the Applicant, in consultation with Greenhill and the Monitor, determines that an Auction should be held, it will be conducted by the Applicant at the office of the Applicant’s counsel⁷, commencing at 9:00 a.m. (Eastern time) on July 16, 2024. Only Bidders who submitted a Qualified Bid are eligible to participate in the Auction (each, an “**Auction Bidder**”);
- (f) each Auction Bidder will be required to confirm at the commencement of the Auction and again at the conclusion of the Auction that it has not engaged in any collusion with Tacora, another Bidder or any other person, without the consent of Greenhill and the Monitor, regarding the Sale Process. Further, each Auction Bidder shall disclose all co-bidding or

⁷ Located at 5300 Commerce Court West, 199 Bay Street, Toronto, Ontario, M5L 1B9.

team bidding arrangements, whether formal or informal, among the Auction Bidder and any third-party or financing source;

- (g) the Auction will proceed on an open basis, whereby the material terms of each incremental bid at the Auction will be fully disclosed to all other Bidders. Bidding at the Auction will continue in minimum increments in excess of the Opening Bid determined from time to time by Tacora, in consultation with Greenhill and the Monitor (an “**Auction Bid**”);
- (h) upon closing of the bidding in the Auction, the highest and/or best Auction Bid, as determined by Tacora in consultation with Greenhill and the Monitor will be deemed the Successful Bid, the next highest and/or best Auction Bid will be deemed the Back-Up Bid, and no further Auction Bids will be permitted to be submitted or considered. In determining the Successful Bid at the Auction, Greenhill, Tacora and the Monitor may evaluate the factors listed in section 23 of the Sale Procedures;
- (i) upon selection of the Successful Bid and a Back-Up Bid, if any, the applicable Bidder(s) will be required to execute, as soon as practicable, an amended Subscription Agreement or APA, as applicable, that reflects the terms of the final bids and any modifications submitted during the Auction;
- (j) if the Successful Bid is not capable of being consummated, the Back-Up Bid will be deemed the Successful Bid and the Applicant will proceed with the transaction contemplated by the Back-Up Bid. Any Back-Up Bid will be required to remain open for acceptance until the completion of the transaction with the Successful Bidder; and
- (k) the Applicant will seek Court approval of the Successful Bid following such determination.

56. The proposed timeline for the Sale Process, which may be extended by Tacora in consultation with Greenhill and with the consent of the Monitor, is summarized as follows:

Event	Timing
<p>1. Access to VDR and Template Purchase Agreement</p> <p>Bidders provided access to the VDR, subject to execution of an appropriate NDA and provided with a copy of the Template Subscription Agreement or Template APA, as applicable.</p>	<p>Access to the VDR to be provided to parties on a rolling basis following request for access and execution of an appropriate NDA.</p> <p>Template Subscription Agreement or Template APA to be made available three</p>

	days following the Court's decision on the June 26 Motions.
2. Bid Deadline Deadline for Bidders to submit binding definitive offers in accordance with the requirements of the Sale Procedure.	July 12, 2024
3. Auction (if applicable)	July 16, 2024
4. Approval Motion Hearing of Approval Motion in respect of Successful Bid (subject to Court availability).	July 26, 2024
5. Outside Date – Closing Outside Date by which the Successful Bid must close.	To be determined by Tacora, in consultation with the Financial Advisor and the Monitor. Tacora will announce such date to Bidders in advance of the Bid Deadline.

THE MONITOR'S COMMENTS AND RECOMMENDATION

57. The Monitor has considered the proposed Sale Process in light of the principles of section 36 of the CCAA and leading decisions dealing with the sale of assets in court-supervised proceedings, as well as the prior processes conducted in connection with the Opportunity. The timeline of the Sales Process was also designed to identify an actionable transaction with the remaining availability under the Applicant's DIP Facility. The Monitor is of the view that the Sale Process, with the possibility of a potential Auction, is consistent with those principles and provides for an open, fair and transparent process with an appropriate level of independent oversight, that should encourage and facilitate bidding by interested parties and is reasonable in the circumstances.

58. Accordingly, the Monitor respectfully recommends that the Applicant's request for approval of the Sale Process be granted.

PROPOSED REALLOCATION OF THE KERP AMOUNTS

59. As discussed in the First Report, as part of the relief obtained in the ARIO, the Court approved the KERP and granted the KERP Charge. The funds to secure the KERP Charge were, as contemplated by the KERP and the ARIO, transferred to the Monitor to be held in trust. The KERP was intended

to incentivize and retain the Key Employees, on the basis that the Applicant determined each to be critical to the ongoing operation of the business and the restructuring process.

60. Since the start of the CCAA Proceeding, three Key Employees, including most recently Joe Broking, President and Chief Executive Officer of Tacora, have given notice of their resignation and forgone their entitlement to payments under the KERP.
61. In light of the additional responsibilities that certain senior employees will be assuming, the Applicant is seeking the Court's approval to reallocate the KERP amounts. No additional funds to secure the KERP Charge are being proposed, rather approval is being sought to reallocate the existing funds which support the KERP Charge.
62. Attached hereto as Confidential Appendix "1" is an overview prepared by the Company of the reallocation of the KERP amounts including a summary of the amounts reallocated and the relevant employees' general roles.
63. The Monitor understands that the remaining Key Employees (i) will likely be expected to fulfill additional tasks and responsibilities due to the resignations; and (ii) are increasingly critical to the Applicant's ability to successfully restructure. Accordingly, the Monitor supports Tacora's request to have the ability to reallocate previously approved KERP amounts.

RECEIPTS AND DISBURSEMENTS FOR THE 6-WEEK PERIOD ENDED MAY 19, 2024

64. Tacora's actual negative net cash flow from operations for the 6-week period from April 8, 2024, to May 19, 2024, was approximately \$17.3 million, compared to a forecast negative net cash flow from operations of approximately \$35.0 million, as noted in the April 2024 Forecast attached to the Eighth Report as Appendix "C" thereto, representing a positive variance of approximately \$17.7 million as summarized below:

	Actual	Forecast	Variance
	\$000	\$000	\$000
Total Receipts	38,891	26,411	12,480
Operating Disbursements			
Employees	(8,576)	(8,332)	(244)
Mine, Mill and Site Costs	(10,228)	(13,352)	3,124
Plant Repairs and Maintenance	(16,038)	(13,806)	(2,232)
Logistics	(11,588)	(13,346)	1,757
Capital Expenditures	(6,651)	(8,626)	1,976
Other	(3,082)	(3,923)	841
Total Operating Disbursements	(56,163)	(61,385)	5,221
Net Cash from Operations	(17,272)	(34,973)	17,701
Restructuring Legal and Professional Costs	(2,776)	(6,814)	4,037
KERP	-	-	-
Net Cash Flow	(20,049)	(41,787)	21,739
Opening Cash Balance	22,203	22,203	-
Net Receipts/(Disbursements)	(20,049)	(41,787)	21,739
DIP Advances/(Repayments)	25,000	40,000	(15,000)
DIP Fees and Interest	-	-	-
Closing Cash Balance	27,155	20,416	6,739

65. Explanations for the key variances are as follows:

- (a) positive variance in Total Receipts of approximately \$12.5 million primarily relates to permanent differences related to higher than forecast pricing and production, as well as temporary differences as sales tax refunds were received earlier than forecast. The positive variance related to sales tax refunds is expected to reverse in future weeks;
- (b) positive variance in Mine, Mill and Site Costs of approximately \$3.1 million is primarily due to lower than forecast outflows as Tacora proactively managed its disbursements during the period. It is expected that a portion of this variance may reverse in future weeks;
- (c) negative variance in Plant Repairs and Maintenance of approximately \$2.2 million is primarily due to higher than forecast payments for maintaining proper inventory levels of stock, unplanned maintenance, as well as regular preventative maintenance during the period. It is expected that a portion of this variance may reverse in future weeks;
- (d) positive variance in Logistics of approximately \$1.8 million is primarily due to lower than forecast outflows as Tacora proactively managed its disbursements during the period. It is expected that a portion of this variance may reverse in future weeks;

- (e) positive variance in Capital Expenditures of approximately \$2.0 million is primarily due to lower than forecast outflows as Tacora proactively managed its capital expenditures during the period. It is expected that a portion of this variance may reverse in future weeks; and
- (f) positive variance in Other of approximately \$0.8 million primarily relates to lower than forecast outflows as Tacora proactively managed its disbursements during the period. It is expected that a portion of this variance may reverse in future weeks.

STAY EXTENSION

- 66. The Stay Period will expire on June 24, 2024. The continuation of the stay of proceedings is necessary to allow time for Tacora to conduct the Sale Process and explore and secure another going-concern transaction. Accordingly, Tacora is seeking a further extension of the Stay Period to July 29, 2024.
- 67. As is demonstrated in the June 2024 Forecast attached to this Ninth Report as Appendix “C”, Tacora is forecast to have sufficient liquidity to fund its obligations and the costs of the CCAA Proceeding through the end of the extended Stay Period. The June 2024 Forecast is summarized below:

	\$000
Total Receipts	58,069
Operating Disbursements	
Employees	(12,994)
Mine, Mill and Site Costs	(22,759)
Plant Repairs and Maintenance	(23,616)
Logistics	(21,312)
Capital Expenditures	(14,597)
Other	(2,833)
Total Operating Disbursements	(98,111)
Net Cash from Operations	(40,042)
Restructuring Legal and Professional Costs	(8,093)
KERP	-
Net Cash Flow	(48,135)
Opening Cash Balance	27,155
Net Receipts/(Disbursements)	(48,135)
DIP Advances/(Repayments)	30,000
DIP Fees and Interest	-
Closing Cash Balance	9,020

68. The Monitor supports extending the Stay Period to July 29, 2024 for the following reasons:
- (a) the Monitor is of the view that the proposed extension of the Stay Period is necessary to allow time for Tacora to conduct the Sale Process and secure another going-concern transaction;
 - (b) the June 2024 Forecast demonstrates that, subject to its underlying hypothetical and probable assumptions, Tacora is forecast to have sufficient liquidity to continue funding its operations during the CCAA Proceeding to July 29, 2024;
 - (c) based on the information presently available, the Monitor believes that creditors will not be materially prejudiced by the proposed extension to the Stay Period; and
 - (d) the Monitor believes that the Applicant has acted, and continues to act, in good faith and with due diligence and that circumstances exist that make an extension of the Stay Period appropriate.

69. Though the additional time through the Stay Extension is needed to identify an actionable transaction, as described in its prior Reports, completing the Applicant's restructuring as soon as possible is of critical importance to the Applicant and its stakeholders. The CCAA Proceedings to date have not been able to proceed on the projected timeline and the Applicant's emergence from the CCAA Proceedings has been delayed. The Monitor notes that the Applicant is in need of substantial capital investment to enable it to achieve consistent, profitable operations. Such funding will not be forthcoming during this CCAA Proceeding. The Applicant also does not currently have any committed financing beyond the Stay Extension to fund going-concern operations during the CCAA Proceedings. Consistent with the Monitor's prior Reports, the Monitor remains of the view that it is imperative that the Applicant emerge from the CCAA Proceeding as soon as possible.

MONITOR'S ACTIVITIES

70. The Monitor last reported on its activities in the Eighth Report. In accordance with its duties set out in Orders granted by the Court in this CCAA Proceeding, as well as its prescribed rights and obligations under the CCAA, the activities of the Monitor since the Eighth Report have included the following:
- (a) participating in regular discussions with Tacora, its legal counsel and other advisors, including its financial advisor, Greenhill, regarding, among other things, the Claims Procedure, Disclaimer Notice and Disclaimer Letter and Sale Process and communications with stakeholders and business operations;
 - (b) assisting Tacora with communications to employees, suppliers, creditors and other stakeholders;
 - (c) monitoring the cash receipts and disbursements of Tacora;
 - (d) administering the Claims Process as described below and responding to enquiries regarding the Claims Procedure;
 - (e) assisting Tacora with updating and extending its cash flow forecasts;
 - (f) assisting Tacora in preparing the regular reporting required under the Amended DIP Agreement;
 - (g) attending meetings of the Board of Directors of Tacora;

- (h) engaging in discussions with Cargill and the Ad Hoc Group and their respective counsel and advisors;
- (i) responding to stakeholder enquiries regarding the CCAA Proceeding generally;
- (j) participating in discussions in respect of and attending before the Court at the various case conferences and hearings, including on April 23, May 22, and May 24, 2024 in connection with the matters discussed above;
- (k) preparing the case conference agenda and summary at the request of the Court in connection with the May 22 and May 24, 2024 case conferences;
- (l) consulting with stakeholders and preparing the Motions Timetable;
- (m) maintaining and uploading documents to the Monitor's Website; and
- (n) preparing this Ninth Report.

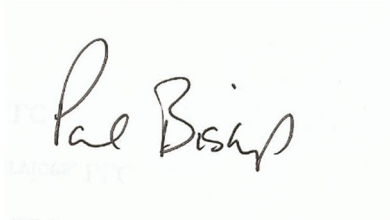
CONCLUSION

71. The Monitor is of the view that the relief requested by the Applicant is necessary, reasonable and justified in the circumstances and supports the requested Sale Process Order and Stay Extension & Ancillary Order.

The Monitor respectfully submits to the Court this Ninth Report dated this 3rd day of June 2024.

FTI Consulting Canada Inc.

in its capacity as Court-appointed Monitor of
Tacora Resources Inc. and not in its personal or
corporate capacity

A handwritten signature in black ink that reads "Paul Bishop". The signature is written in a cursive style. The text is centered on a light green rectangular background.

By:

Paul Bishop
Senior Managing Director

A handwritten signature in black ink that reads "J. Porepa". The signature is written in a cursive style. The text is centered on a light green rectangular background.

Jodi Porepa
Senior Managing Director

Appendix “A”



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-23-00707394-00CL

DATE: May 22 & 24, 2024

NO. ON LIST: 8

TITLE OF PROCEEDING: TACORA RESOURCES INC. v. FIRST INSURANCE FUNDING OF CANADA INC et al

BEFORE: JUSTICE KIMMEL

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Taylor, Ashley	Tacora Resources Inc.	ataylor@stikeman.com
Nicholson, Lee		leenicholson@stikeman.com
Rambaran, Natasha		nrambaran@stikeman.com
Matthew Gottlieb		mgottlieb@lolg.ca
Yang, Philip		pyang@stikeman.com

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
Jacobs, Ryan	Proposed Monitor	rjacobs@cassels.com
Dietrich, Jane		jdietrich@cassels.com
Merskey, Alan		amerskey@cassels.com
Bishop, Paul	FTI Consulting Canada Inc. in its Capacity as Monitor	Paul.bishop@fticonsulting.com
Porepa, Jodi		Jodi.porepa@fticonsulting.com

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Ben Muller	Consortium Bond Group	bmuller@osler.com
De Lellis, Michael		mdelellis@osler.com
Dacks, Jeremy		jdacks@osler.com

Peter Kolla	Cargill, Incorporated and Cargill International Trading Pte Ltd.	pkolla@goodmans.ca
Descours, Caroline		cdescours@goodmans.ca
Robert Chadwick		rchadwick@goodmans.ca
Sarah Stothart		sstothart@goodmans.ca
Marc Wasserman	The Ad Hoc Group of Senior Noteholders	mwasserman@osler.com
Seifer, David Z.	Caterpillar Financial Services Limited	DSeifer@dickinsonwright.com
Licari, Montana	Champion Iron Limited	mlicari@fasken.com
Johnson, Bruce R.	MacGregors Customer Machining Ltd.	bjohnson@ejmlaw.ca
Sinclair, Charles	United Steelworkers, Local 6285	csinclair@goldblattpartners.com
Chien, Charlotte	Orica Canada Inc.	cchien@blg.com
Rubin, Peter	Resource Capital Fund	peter.rubin@blakes.com
Matthew Milne-Smith	Crossing Bridge	mmilne-smith@dwpv.com
Joe Thorne	112839 BC Ltd.	joethorne@stewartmckelvey.com.
Apostolatos, Gerry	Creditor and Stakeholder	gerry.apostolatos@langlois.ca

ENDORSEMENT OF JUSTICE KIMMEL:

[1] For the brief reasons given orally in court after considering the written and oral submissions of counsel, the following matters have been scheduled:

- a. A half-day in person hearing commencing at 12:00 noon on June 5, 2024 for:
 - i. The Tacora Sale Process Motion and to extend the Stay; and
 - ii. The Cargill Meeting Order (Plan) Motion.

- b. A full-day in person hearing commencing at 10:00 a.m. on June 26, 2024 for:
 - i. The preliminary threshold motion (to be reconstituted and supplemented in a notice of motion to be delivered next week by Tacora to include circumscribed additional points);
 - ii. The Cargill RVO Declaration motion (Global Process Motion Re: Availability of RVO); and
 - iii. The Cargill Disclaimer Motion.

[2] These motions shall proceed on the basis of a timetable to be agreed upon by all participating parties, a copy of which shall be provided to the court by the Monitor by the end of next week, May 31, 2024. The timetable shall be structured such that all material for the

motions will have been served, filed and uploaded into the appropriate hearing by no later than 12:00 p.m. on the day before the hearing.

[3] Factums for the June 5, 2024 motions should be focused. Ideally, each party will address the issues on both motions in a single factum of no more than 25 pages double spaced.

[4] The following directions are provided with respect to the factums for the June 26, 2024 motions:

- a. Each participating party may rely on their existing factums for the preliminary threshold motion and a supplementary factum of no more than five pages double spaced. If appropriate, highlighted versions of the previously filed factums indicating the relevant portions for the preliminary threshold motion may be delivered.
- b. Each participating party may deliver a new factum of up to 35 pages double spaced in respect of the Cargill Global Process (RVO Declaration) Motion and Cargill Disclaimer motion. Cargill may deliver a single reply factum of up to 6 pages double spaced.

[5] In advance of each hearing, the Monitor shall coordinate a hearing agenda with time allocations for each participating counsel and provide that to the court the day before, together with an index of the factums that have been filed for each motion and where they can be located in the CaseLines hearing bundle for the relevant date.

[6] The parties are encouraged to continue to pursue the parallel track of a global or partial resolution of some or all issues on the upcoming motions, and beyond those issues, to try to reach a global resolution.

A handwritten signature in black ink that reads "Kimmel J." with a stylized flourish at the end.

KIMMEL J.

Appendix “B”

**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

MOTIONS TIMETABLE (MOTIONS RETURNABLE JUNE 5 AND 26)

Delivery of Material/Step	Date
Tacora Sale Process, KERP Reallocation and Stay Period Extension Motion Record Tacora Reconstituted and Supplemented Notice of Motion re Preliminary Threshold Motion Cargill Notice of Motion Objecting to Disclaimer ¹	May 31, 2024
Monitor Report regarding Sale Process Motion and Stay Period Extension Tacora and supporting Facta on all June 5 issues	June 3, 2024
Cargill and other responding Facta on all June 5 issues (before noon) All materials for June 5 uploaded by 12 pm	June 4, 2024
Tacora Reply Factum	June 5, 2024
Sale Process Motion and Stay Period Extension Hearing (half day commencing at 12 pm)	June 5, 2024
Cargill Motion Record re Disclaimer Motion Tacora Reconstituted Preliminary Threshold Motion Record	June 11, 2024

¹ Cargill has advised that they are no longer proceeding on June 5, 2024 or June 26 with the Cargill Meeting Order (Plan) Motion

Tacora Responding Record re Disclaimer Motion Cargill Responding Record to Reconstituted Preliminary Threshold Motion	June 14, 2024
Cross-examinations, if any	June 18, 2024
Monitor Report re June 26 issues	June 19, 2024
Cargill Factum re Disclaimer (25 page maximum) Tacora and any supporting Facta re Reconstituted Preliminary Threshold Motion (amending and updating prior factum, 5 additional pages permitted)	June 20, 2024 before noon
Tacora and any other Responding Facta re Disclaimer (25 page maximum) Cargill and any other Responding Facta re Reconstituted Preliminary Threshold Motion (amending and updating prior factum, 5 additional pages permitted)	June 24, 2024
Cargill Reply Factum on Disclaimer (5 pages) before noon. Tacora Reply Factum on Reconstituted Preliminary Threshold Motion (5 pages) before noon	June 25, 2024
All materials uploaded to Caselines by 12 pm	June 25, 2024
Hearing of RVO Preliminary Motion and Disclaimer Objection Motion (full day commencing at 10 am)	June 26, 2024

Cargill has advised that it is no longer proceeding with the Global Process Motion on June 26th but proposes to reserve its rights to raise such matters on any opposed future RVO application. Tacora and the Monitor believe that such motion can only be withdrawn with prejudice and cannot be raised again in future given the schedule that was set by the Court. Tacora and the Monitor intend to address the Court on this point on June 5.

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.

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT TORONTO

**MOTIONS TIMETABLE (MOTIONS RETURNABLE JUNE 5
AND JUNE 27)**

CASSELS BROCK & BLACKWELL LLP

3200 Bay Adelaide Centre – North Tower
40 Temperance Street
Toronto, ON M5H 0B4

Ryan C. Jacobs LSO #: 59510J

Tel: 416.860.6465
rjacobs@cassels.com

Jane O. Dietrich LSO #: 49302U

Tel: 416.860.5223
jdietrich@cassels.com

Alan Merskey LSO #: 41377I

Tel: 416.860.2948
amerskey@cassels.com

John M. Picone LSO #: 58406N

Tel: 416.640.6041
jpicone@cassels.com

Lawyers for the Monitor

Appendix “C”

Tacora Resources Inc.

Consolidated Cash Flow Projections

(\$USD in thousands)

Forecast Week Ending	26-May-24	02-Jun-24	09-Jun-24	16-Jun-24	23-Jun-24	30-Jun-24	07-Jul-24	14-Jul-24	21-Jul-24	28-Jul-24	Total	
Forecast Week	[1]	1	2	3	4	5	6	7	8	9	10	
Total Receipts	[2]	8,404	(1,854)	4,322	7,351	8,417	4,695	7,359	6,607	6,540	6,228	58,069
Operating Disbursements	[3]											
Employees		(2,098)	(575)	(2,162)	(884)	(2,087)	(287)	(2,180)	(231)	(2,180)	(311)	(12,994)
Mine, Mill and Site Costs		(2,770)	(2,473)	(1,983)	(589)	(1,525)	(1,945)	(1,368)	(684)	(1,577)	(7,845)	(22,759)
Plant Repairs and Maintenance		(2,410)	(2,640)	(2,350)	(2,423)	(2,110)	(2,179)	(2,744)	(2,254)	(2,254)	(2,254)	(23,616)
Logistics		(1,244)	(5,442)	(1,173)	(1,723)	(853)	(5,140)	(2,030)	(1,180)	(1,180)	(1,346)	(21,312)
Capital Expenditures		(3,242)	(1,753)	(1,400)	(1,350)	(1,350)	(1,203)	(1,000)	(1,100)	(1,100)	(1,100)	(14,597)
Other		(609)	(656)	(511)	(242)	(55)	(299)	(55)	(55)	(55)	(295)	(2,833)
Total Operating Disbursements		(12,372)	(13,540)	(9,578)	(7,211)	(7,980)	(11,053)	(9,377)	(5,504)	(8,347)	(13,150)	(98,111)
Net Cash from Operations		(3,968)	(15,394)	(5,256)	140	437	(6,358)	(2,018)	1,103	(1,807)	(6,922)	(40,042)
Restructuring Legal and Professional Costs	[4]	(1,115)	(1,056)	(602)	(1,425)	(275)	(1,670)	(275)	(625)	(275)	(775)	(8,093)
KERP	[5]	-	-	-	-	-	-	-	-	-	-	-
NET CASH FLOWS		(5,083)	(16,450)	(5,858)	(1,285)	162	(8,028)	(2,293)	478	(2,082)	(7,697)	(48,135)
Cash												
Beginning Cash Balance		27,155	22,072	15,622	9,765	8,480	23,642	15,614	13,321	13,799	16,717	27,155
Net Receipts/ (Disbursements)		(5,083)	(16,450)	(5,858)	(1,285)	162	(8,028)	(2,293)	478	(2,082)	(7,697)	(48,135)
DIP Advances/ (Repayments)	[6]	-	10,000	-	-	15,000	-	-	-	5,000	-	30,000
DIP Fees & Interest Payment	[7]	-	-	-	-	-	-	-	-	-	-	-
Ending Cash Balance		22,072	15,622	9,765	8,480	23,642	15,614	13,321	13,799	16,717	9,020	9,020

DIP Opening Balance		100,901	100,901	111,866	111,866	111,866	126,866	126,866	127,993	127,993	132,993	100,901
DIP Advances		-	10,000	-	-	15,000	-	-	-	5,000	-	30,000
PIK Interest		-	965	-	-	-	-	1,127	-	-	-	2,092
DIP Ending Balance		100,901	111,866	111,866	111,866	126,866	126,866	127,993	127,993	132,993	132,993	132,993
Opening Post-Filing Credit Extensions		8,525	8,525	4,528	4,528	4,528	4,528	4,528	4,528	4,528	4,528	8,525
Increase/ (Decreases) in Post-Filing Credit Extensions		-	(3,997)	-	-	-	-	-	-	-	-	(3,997)
Ending Post-Filing Credit Extensions	[8]	8,525	4,528	4,528	4,528	4,528	4,528	4,528	4,528	4,528	4,528	4,528
Total DIP Facility Obligations		109,426	116,394	116,394	116,394	131,394	131,394	132,521	132,521	137,521	137,521	137,521

Tacora Resources Inc.

Consolidated Cash Flow Projections

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 the average monthly forward fx rate as at May 23, 2024.

[2] Forecast Total Receipts are based on management’s current expectations regarding productions and vessel shipments of iron ore concentrate (total tonnage) and a P62 price of USD \$110 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 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 based on funding requirements and maintaining a minimum cash balance throughout the period.

[7] Accrued monthly interest forecast to be paid in kind (PIK).

[8] Forecast Post-Filing Credit Extensions reflect Management best estimates as at May 24, 2024.

Appendix “D”

Lee Nicholson
Direct: (416) 869-5604
leenicholson@stikeman.com

May 16, 2024

By E-mail (rchadwick@goodmans.ca)

Goodmans LLP
Bay Adelaide Centre - West Tower
333 Bay Street, Suite 3400
Toronto, ON M5H 2S7

Attention: Robert Chadwick

Dear Sir:

Re: Tacora Resources Inc. (CV-23-00707394-00CL)

As you know, we are counsel for Tacora Resources Inc. ("**Tacora**" or the "**Company**") in connection with the Company's proceeding under the *Companies' Creditors Arrangement Act* (the "**CCAA**"). The Company and Cargill International Trading Pte. Ltd ("**Cargill**") are parties to Restatement #1 of the Iron Ore Sale and Purchase Contract dated November 9, 2018 (as amended, the "**Offtake Agreement**") and the Iron Ore Stockpile Purchase Agreement dated December 17, 2019 (the "**Stockpile Agreement**").

We wrote to you in a letter dated September 8, 2023 demanding payment in respect of 63,400 dry metric tonnes of iron ore concentrate ("**Iron Ore**") delivered to Cargill during the week of August 27, 2023 to the stockpile located at the Port of Sept-Îles in accordance with the Offtake Agreement and Stockpile Agreement. We understand that following our letter Cargill made payment in respect of the Iron Ore delivered to Cargill during the week of August 27, 2023.

However, we also understand Cargill failed to pay for (a) Iron Ore delivered to Cargill at the stockpile during the weeks of October 1, 2023 and October 9, 2023; and (b) final purchase price amounts in respect of certain vessel shipments. Invoices have been delivered to Cargill in respect of such amounts and are enclosed again for reference. The total amount outstanding and owed to the Company is \$10,368,105.60 (the "**Outstanding Amounts**").

Cargill has provided no explanation as to why the Outstanding Amounts have not been paid. We remind you again that Section 2.1 of the Advance Payment Facility Agreement dated May 29, 2023 between Tacora and Cargill (as amended, the "**APF**") provided that "[u]ntil 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 Original Advances." Further, Section 11 provided that Cargill may set off amounts owing by Cargill to Tacora *only* upon an Event of Default. The Termination Date had not occurred nor had any Event of Default when the Outstanding Amounts became due. It appears that Cargill failed to pay the referenced Outstanding Amounts to force Tacora to borrow additional funds under its DIP financing with Cargill for the purposes of further priming other secured creditors of the Company to their detriment.

In addition to the Outstanding Amounts, Cargill has also failed to pay \$1,880,506.20 (the "**Post-Filing Outstanding Amounts**") in respect of Iron Ore shipped on vessels which settled and became due under the terms of the Offtake Agreement following the commencement of the CCAA proceedings. Again, Cargill has provided no explanation as to why such amounts have not been paid. Paragraph 17 of the Amended

and Restated Initial Order (the “**Initial Order**”) prohibits all persons from setting off amounts that were owed by Tacora prior to date of the Initial Order against amounts that become due to Tacora after the date of the Initial Order. If Cargill is purporting to set-off these amounts against the APF, Cargill is doing so in violation and breach of the Initial Order and well established CCAA caselaw.

We demand that Cargill immediately pay the Outstanding Amounts and Post-Filing Outstanding Amounts. Failure to pay the Outstanding Amounts and Post-Filing Outstanding Amounts constitutes a material breach of the Offtake Agreement and this letter shall constitute notice thereof. If Cargill fails to pay the Outstanding Amounts within 10 Working Days (as defined by the Offtake Agreement), Tacora reserves the right to terminate the Offtake Agreement without further notice. Tacora also reserves the right to seek relief from the CCAA Court in respect of Cargill’s breach of the Offtake Agreement.

Yours truly,



Lee Nicholson

LN/

- cc. A. Taylor and E. Kolers, Stikeman Elliott LLP
- P. Bishop and J. Porepa, FTI Consulting Canada Inc.
- R. Jacobs and J. Dietrich, Cassels Brock & Blackwell LLP
- C. Descours, Goodmans LLP

Appendix “E”



1801 WYANDOTTE STREET EAST, UNIT #200
WINDSOR, ONTARIO N8Y 1E2

199 BAY STREET, SUITE 2200
P.O. BOX 447, COMMERCE COURT POSTAL STATION
TORONTO, ON CANADA M5L 1G4
TELEPHONE: 416-777-0101
FACSIMILE: 844-670-6009
<http://www.dickinsonwright.com>

JOHN D. LESLIE
JLeslie@dickinsonwright.com
416-646-3801

May 28, 2024

VIA EMAIL (ataylor@stikeman.com)

Ashley Taylor
Stikeman Elliott LLP
Barristers & Solicitors
5300 Commerce Court West,
199 Bay Street,
Toronto, ON M5L 1B9

Dear Mr. Taylor:

Re: CAT/Tacoma

We have reviewed your letter of May 14, 2024 with our client.

Although we appreciate your comments that it is contemplated that any sale or restructuring will provide for payment in full of our client's equipment, our client's equipment continues to depreciate.

We consider our client's offer to be fair considering the previous failed sales transaction.

As a result, we have received instructions to bring a motion to lift the stay which we are presently working on and intend to serve shortly.

Yours truly,

DICKINSON WRIGHT LLP

John D. Leslie

JDL/ke

cc: David Seifer

Appendix “F”

African farmers look to past and future to address climate change

Continent faces the worst effects of a warming planet while contributing the least to the problem

**FARAI MUTSAKA
OMAR FARUK
DESMOND TIRO**
HARARE, ZIMBABWE

From ancient fertilizer methods in Zimbabwe to new greenhouse technology in Somalia, farmers across the heavily agriculture-reliant African continent are looking to the past and future to respond to climate change.

Africa, with the world's youngest population, faces the worst effects of a warming planet while contributing the least to the problem. Farmers are scrambling to make sure the booming population is fed.

With over 60 per cent of the world's uncultivated land, Africa should be able to feed itself, some experts say. And yet three in four people across the continent cannot afford a healthy diet, according to a report last year by the African Union and United Nations agencies. Reasons include conflict and lack of investment.

In Zimbabwe, where the El Niño phenomenon has worsened a drought, small-scale farmer James Tshuma has lost hope of harvesting anything from his fields. It's a familiar story in much of the country, where the government has declared a US\$2-billion state of emergency and millions of people face hunger.

But a patch of green vegetables is thriving in a small garden the 65-year-old Mr. Tshuma is keeping alive with homemade organic manure and fertilizer. Previously discarded items have again become precious.

"This is how our fathers and forefathers used to feed the earth and themselves before the introduction of chemicals and inorganic fertilizers," Mr. Tshuma said. He applies livestock droppings, grass, plant residue, re-

mains of small animals, tree leaves and bark, food scraps and other biodegradable items such as paper. Even the bones of animals that are dying in increasing numbers owing to the drought are burned before being crushed into ash for their calcium.

Climate change is compounding much of sub-Saharan Africa's longstanding problem of poor soil fertility, said Wonder Ngezimana, an associate professor of crop science at Zimbabwe's Marondera University of Agricultural Sciences and Technology.

"The combination is forcing people to re-look at how things were done in the past like nutrient recycling, but also blending these with modern methods," said Mr. Ngezimana, whose institution is researching the combination of traditional practices with new technologies.

Apart from being rich in nitrogen, organic fertilizers help increase the soil's carbon and ability to retain moisture, Mr. Ngezimana said.

"Even if a farmer puts synthetic fertilizer into the soil, they are likely to suffer the consequences of poor moisture as long as there is a drought," he said.

Other moves to traditional practices are under way. Drought-resistant millets, sorghum and legumes, staples until the early 20th century when they were overtaken by exotic white corn, have been taking up more land space in recent years.

Leaves of drought-resistant plants that were once a regular dish before being cast off as weeds are returning to dinner tables. They even appear on elite supermarket shelves and are served at classy restaurants, as are millet and sorghum.

This could create markets for the crops even beyond drought years, Mr. Ngezimana said.

In conflict-prone Somalia are changing the way some people live, with shoppers filling up carts with locally produced vegetables and traditionally nomadic pastoralists under pressure to settle down and grow crops.



Farmer James Tshuma applies livestock droppings, grass, plant residue, remains of small animals and other biodegradable items to the soil of his garden in Mangwe district, Zimbabwe. TSVANGIRY MUKWAZHI/AP

"They are organic, fresh and healthy," shopper Suedi Hassan said in the capital, Mogadishu. "Knowing that they come from our local farms makes us feel secure."

Her new shopping experience is a sign of relative calm after three decades of conflict and the climate shocks of drought and flooding.

Urban customers are now assured of year-round supplies, with more than 250 greenhouses dotted across Mogadishu and its outskirts producing fruit and vegetables. It is a huge leap.

"In the past, even basic vegetables like cucumbers and tomatoes were imported, causing logistical problems and added expenses," said Somalia's minister of youth and sports, Mohamed Barre.

The greenhouses also create employment in a country where about 75 per cent of the population is people under 30 years old, many of them jobless.

About 15 kilometres from the capital, Mohamed Mahdi, an agriculture graduate, inspected produce in a greenhouse where he works.

"Given the high unemployment rate, we are grateful for the chance to work in our chosen field of expertise," the 25-year-old said.

ASSOCIATED PRESS

Plastics: Final negotiating session for pollution treaty scheduled for November in South Korea

FROM B1

These problems are especially acute in developing countries that lack comprehensive waste-management systems.

Monday is the final scheduled day of the fourth session of the Intergovernmental Negotiating Committee on Plastic Pollution, or INC-4, which began April 23. The committee, part of the UN Environment Programme, was formed in 2022 with the goal of developing an international, legally binding treaty on plastic pollution, including in the marine environment, by the end of 2024. The fifth and final INC negotiating session is scheduled for South Korea in November.

"INC-4 is a really crucial meeting, because if we have any hope of having what we agreed upon two years ago — to have a legally binding treaty to end plastic pollution by the end of this year — there's a lot of work for us to accomplish here in Ottawa," Mr. Guilbeault said Friday in an interview.

He said he hoped the session would wind up with parties agreeing on about 70 per cent of the text in the treaty. An existing draft agreement, called a zero draft, runs to nearly 70 pages and includes many sections of bracketed text, indicating issues on which member countries have not yet agreed.

The draft text expanded significantly after INC-2, held in November, 2023, in Nairobi, Kenya. At those talks, a minority group of member states — including Iran, Russia and Saudi Arabia — pushed for language that weakened the draft, according to Gaia, a non-profit environmental group. Those changes included pushing for voluntary measures over legally binding ones and a focus on waste management instead of production cuts, the group said.

Mr. Guilbeault conceded the draft had expanded, but said that process was necessary to work toward a consensus and in line with



A person carries food in a plastic bag past a plastic public art installation outside the United Nations conference in Ottawa on Tuesday.

ADRIAN WYLD/THE CANADIAN PRESS

how other international pacts have taken shape, including a landmark 2022 biodiversity agreement reached in Montreal.

"I think that before countries are willing to make some compromise and negotiate on their position, they need to feel that they're being heard — and the way to do that is for their perspective, their proposals, their point of view to be reflected in the text," he said.

Environmental groups have been pushing for production caps, but Mr. Guilbeault said there could be other measures — such as phasing out harmful chemicals, restricting single-use plastics and requiring more recycled content — that could be more effective in reducing pollution, at least in the short term.

Talks at INC-4 have also focused on getting a better handle on how much plastic is produced and where it winds up. Ottawa on April 22 announced plans for a federal plastics registry that would require companies to report how much plastic they produce and import, and how it moves through the market.

Alice (Xia) Zhu, a PhD student at the University of Toronto, was at a conference side event, where she talked to delegates about the

need for better plastics tracking systems.

Working with researchers at U of T and the Rochester Institute of Technology, Ms. Zhu has developed a way to measure plastic emissions — referring to how much plastic ends up in the waste stream, not airborne emissions — using Toronto as a case study.

In a study published this past February in the journal Environmental Science & Technology, Ms. Zhu and her co-authors estimated Toronto's plastic emissions — from sources including tire dust, microplastics from playing fields and loads of laundry and litter — at nearly 4,000 tonnes in 2020.

She hopes the study could become a template for tracking plastic emissions, akin to reporting systems in place for greenhouse-gas emissions.

"Without quantitative targets, you're not able to track your progress toward a common goal that the world is working toward," Ms. Zhu said.

Mr. Guilbeault also said he hoped INC-4 would result in countries agreeing to inter-session talks — interim sessions that would allow governments to continue discussions before the final meeting in November.

LEGALS

Court File No. CV-23-00707394-00CL

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)

NOTICE TO CLAIMANTS OF TACORA RESOURCES INC.

RE: NOTICE OF CLAIMS PROCEDURE, CLAIMS BAR DATE AND
RESTRUCTURING CLAIMS BAR DATE

PLEASE TAKE NOTICE that on April 23, 2024, the Ontario Superior Court of Justice (Commercial List) granted an order (the "Claims Procedure Order") in the CCAA Proceedings of the Applicant. Capitalized terms used herein and not otherwise defined have the meanings given to them in the Claims Procedure Order.

Pursuant to the Claims Procedure Order, FTI Consulting Canada Inc., in its capacity as Court-appointed Monitor in the CCAA Proceedings, will assist the Applicant in connection with the administration of the Claims Procedure. The Monitor will send a Claims Package to Known Claimants in accordance with the Claims Procedure Order. If you wish to assert a Claim against the Applicant and/or its Directors and Officers that is not captured in a Statement of Known Claim, you MUST file a Proof of Claim with the Monitor by the applicable Bar Date.

The Claims Procedure Order, Claims Package and further information or documentation regarding the Claims Procedure can be accessed on the Monitor's Website at <http://fticanada.fticonsulting.com/tacora/>.

A. STATEMENT OF KNOWN CLAIM

Pursuant to the Claims Procedure Order, Claims Packages will be sent to all Known Claimants of the Applicant within ten (10) Business Days following the issuance of the Claims Procedure Order, which will contain a Statement of Known Claim that specifies each Known Claimant's claim as valued by the Monitor, in consultation with the Applicant, based on the books and records of the Applicant.

If you receive a Statement of Known Claim, your Claim will be deemed to be accepted at the amount specified therein, and you do not need to take any further steps with respect to such Claim unless you disagree with the amount and/or Status of the Claim specified therein. If you wish to dispute your Claim as specified in your Statement of Known Claim, you must file a Notice of Dispute with the Monitor on or before the applicable Bar Date. It is your responsibility to ensure that Monitor receives your Notice of Dispute by the applicable Bar Date if you wish to dispute the Claim as listed in your Statement of Known Claim.

B. PROOFS OF CLAIM

All Persons who wish to assert a Claim against the Applicant and/or its Directors and Officers that is not captured in a Statement of Known Claim, MUST deliver to the Monitor a completed Proof of Claim form, together with all relevant supporting documentation in respect of such Claim, such that it is received by the Monitor no later than the applicable Bar Date.

The Claims Bar Date is 5:00 p.m. (Eastern Time) on May 31, 2024. Proofs of Claim in respect of Pre-Filing Claims and D&O Claims must be completed and received by the Monitor, together with all relevant supporting documentation, on or before the Claims Bar Date.

The Restructuring Claims Bar Date is the later of, (a) the Claims Bar Date; and (b) 5:00 p.m. (Eastern Time) on the day which is fourteen (14) days after the Monitor sends a Claims Package with respect to a Restructuring Claim in accordance with the Claims Procedure Order. Proofs of Claim in respect of Restructuring Claims must be completed and received by the Monitor, together with all relevant supporting documentation, on or before the Restructuring Claims Bar Date.

It is your responsibility to ensure that the Monitor receives your Proof of Claim by the applicable Bar Date if you wish to assert any claim that is not captured in a Statement of Known Claim. PROOFS OF CLAIM WHICH ARE NOT RECEIVED BY THE APPLICABLE BAR DATE WILL NOT BE ACCEPTED AND SUCH CLAIMS WILL BE BARRED AND EXTINGUISHED FOREVER.

C. DELIVERY OF NOTICES AND COMMUNICATION

Any notice or communication required to be provided or delivered pursuant to the Claims Procedure Order shall be in writing in substantially the form provided for in the Claims Procedure Order and will be sufficiently given only if delivered to the Monitor by email, or, if delivery by email is not possible, on the consent of the Monitor, by mail, courier, or personal delivery, addressed to:

FTI CONSULTING CANADA INC.
TD Waterhouse Tower
79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto, ON M5K 1G8

Attention: Paul Bishop / Jodi Porepa

Email: Tacora@fticonsulting.com

Copy to:

CASSALS BROCK & BLACKWELL LLP
Suite 3200, Bay Adelaide Centre – North Tower 40 Temperance Street
Toronto, ON M5H 0B4

Attention: Ryan Jacobs / Jane Dietrich
Emails: rjacobs@casells.com / jdietrich@casells.com

Any such notice or communication delivered by a Claimant shall be deemed to be received upon actual receipt thereof before 5:00 p.m. (Eastern Time) on a Business Day or if delivered outside of normal business hours, the next Business Day.

D. MONITOR CONTACT INFORMATION

All enquiries with respect to the Claims Procedure should be addressed to the Monitor by email at Tacora@fticonsulting.com or via the telephone hotline (416-649-8158 or Toll Free: 1-833-420-9074), provided, however, that formal notices to the Monitor must be delivered as set out above.

DATED at Toronto, Ontario this 23rd day of April, 2024.

Appendix “G”

Schedule "A"

Procedures for the Sale Process

On October 10, 2023, Tacora Resources Inc. ("**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. 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 June 5, 2024, the Court granted an order (the "**Sale Process Order**") authorizing Tacora to undertake a sale process (the "**Sale Process**") to solicit offers or proposals for a sale transaction in respect of Tacora's assets (the "**Property**") and business operations (the "**Business**") to be conducted by the Financial Advisor, and supervised by the Monitor, in the manner set forth in these procedures (the "**Sale Procedures**").

On June 26, 2024, the Court will hear motions (the "**Preliminary Motions**") by Tacora and Cargill to determine: (a) whether or not the Offtake Agreement and/or the Note Indentures can be transferred and 'vested' into Residual Co. pursuant to a reverse vesting order (an "**RVO**") without the consent of the counterparties to such contracts; (b) whether as a point of law, an RVO transaction structure is available where unsecured creditors hold a veto on a CCAA plan of arrangement and those unsecured creditors do not support an RVO; and (c) whether the Offtake Agreement is disclaimed. Based upon the decision of the Court, Tacora will determine whether all Bidders will be required to submit their Bid in the form of a subscription agreement ("**Subscription Agreement**") for all the shares of Tacora (the "**Shares**") to be implemented pursuant to an RVO or in the form of an asset purchase agreement ("**APA**") for all or substantially all of the Property and the Business.

Defined Terms

1. Capitalized terms used in the Sale Procedures and not otherwise defined herein have the meanings given to them in Appendix "A".

Sale Procedures

Opportunity

2. The Sale Process is intended to identify the highest and/or best offer for the sale of (a) all the Shares of Tacora pursuant to an RVO, or (b) all or substantially all the Property and the Business pursuant to an APA (the "**Opportunity**"). Tacora reserves the right to terminate the Sale Process at any time.

General

3. Except as set forth in these Sale Procedures, nothing in this Sale Process shall prohibit a secured creditor of Tacora (a) from participating as a Bidder in the Sale Process, or (b) committing to Bid its secured debt, including by way of a credit bid of

some or all of its outstanding indebtedness under any loan facility (inclusive of interest and other amounts payable under such loan agreement to and including the date of closing of a definitive transaction) owing to such party (“**Credit Bid**”).

4. 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 in connection with the Sale Process, provided that, no information regarding any Bids received shall be provided to any stakeholders of Tacora or their respective advisors other than in connection with a motion to approve the Successful Bid or Back-Up Bid, if applicable.

Timeline

5. The following table sets out the key milestones under the Sale Process, which may be extended from time to time by Tacora, in consultation with the Financial Advisor and with the consent of the Monitor, in accordance with the Sale Process.

Event	Timing
<p>1. Access to VDR and Template Subscription Agreement or Template APA, as applicable</p> <p>Bidders provided access to the VDR, subject to execution of an appropriate NDA and provided with a copy of the Template Subscription Agreement or Template APA, as applicable.</p>	<p>Access to the VDR has been and will be provided to parties on a rolling basis following request for access and execution of an appropriate NDA. Parties will be provided with a Template Subscription Agreement or Template APA three days following the Court’s decision on the Preliminary Motions.</p>
<p>2. Bid Deadline</p> <p>Deadline for Bidders to submit binding definitive offers in accordance with the requirements of Section 10.</p>	<p>July 12, 2024</p>
<p>3. Auction (if applicable)</p>	<p>July 16, 2024</p>
<p>4. Approval Motion</p> <p>Hearing of Approval Motion in respect of Successful Bid (subject to Court availability).</p>	<p>July 26, 2024, or such earlier date set by the Court.</p>
<p>5. Outside Date – Closing</p> <p>Outside Date by which the Successful Bid must close.</p>	<p>To be determined by Tacora, in consultation with the Financial Advisor and the Monitor. Tacora will announce such date to Bidders in advance of the Bid Deadline (the “Outside Date”).</p>

Solicitation of Interest

6. The following steps have been taken by Tacora, the Financial Advisor or the Monitor, as applicable:
 - a) a notice of the Sale Process and any other relevant information that the Monitor, in consultation with Tacora and the Financial Advisor, considered appropriate regarding the Sale Process was posted by the Monitor on the Monitor's Website; and
 - b) the Financial Advisor, in consultation with Tacora and the Monitor, (i) contacted financial and strategic parties that the Financial Advisor, believed may be able to submit or participate in a Qualified Bid in connection with the Sale Process (each a "**Potential Bidder**"); and (ii) provided each Potential Bidder with a form of non-disclosure agreement satisfactory to the Financial Advisor, Tacora, the Monitor, and their respective counsel (an "**NDA**").
7. Tacora, in consultation with the Financial Advisor and the Monitor, will prepare the form of a template Subscription Agreement (the "**Template Subscription Agreement**") or APA (the "**Template APA**") to be used by Bidders in submitting a Bid. The Template Subscription Agreement or Template APA, as applicable, will be provided to Bidders within three (3) days following the Court's decision on the Preliminary Motion.

Communication Protocol

8. Each Potential Bidder and Bidder is prohibited from communicating with any other Potential Bidder or Bidder and their respective affiliates and their legal and financial advisors regarding the Opportunity during the term of the Sale Process, without the consent of the Financial Advisor and the Monitor except as provided in these Sale Procedures (and for certainty, such consent granted prior to the date of approval of these Sale Procedures shall continue to apply without requirement for additional consent). Notwithstanding the terms of any NDA entered into by a Bidder, all Bidders shall comply with these Sale Procedures.
9. Notwithstanding the terms of any NDA entered into by a Bidder, the Financial Advisor may introduce any Bidder who expresses an interest in submitting a consortium or joint Bid, to one or more other Bidders. Any Bidder who is interested in submitting a consortium or joint Bid must confirm to the Financial Advisor that it will act exclusively with another Bidder or consortium of Bidders submitting a single Bid.

Bids

10. A Bidder that wishes to make a definitive transaction proposal (a "**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 5:00 p.m. (Eastern Time) on July 12, 2024, or such later date as determined by Tacora, in consultation with the Financial Advisor and with the consent of the Monitor (the "**Bid Deadline**"). Such Bid shall be a "**Qualified Bid**" if it meets all of the following criteria:

- a) it has been duly executed by all required parties;
- b) it is received by the Bid Deadline;
- c) it is binding and includes a letter confirming that the Bid is irrevocable until the selection of the Successful Bidder and the Back-Up Bidder, if any, provided that if such Bidder is selected as the Successful Bidder or the Back-Up Bidder, its offer shall remain irrevocable until the earlier of (i) completion of the transaction, and (ii) the Outside Date, subject to such further extensions as may be agreed to under the applicable Subscription Agreement or APA, with the consent of the Monitor;
- d) it is in the form of a duly authorized and executed Subscription Agreement or APA, as applicable, including all exhibits and schedules contemplated thereby (other than exhibits and schedules that by their nature must be prepared by Tacora), together with a redline to the Template Subscription Agreement or Template APA, as applicable;
- e) the Bid includes:
 - i. the purchase price 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, including to the extent applicable, appropriate documentation supporting a Credit Bid;
 - iii. any contemplated purchase price adjustment;
 - iv. 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;
 - v. a description of the Shares or Property, as applicable, 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 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;
 - vii. it identifies whether the Bidder intends to assume or exclude the Offtake Agreement (with or without amendment) and if the Bidder intends to exclude the Offtake Agreement, the alternative offtake terms required to complete the transaction contemplated by the Bid;
 - viii. information sufficient for Tacora, in consultation with the Financial Advisor and the Monitor, to determine that the Bidder has sufficient financial ability to complete the transaction contemplated by the Bid;
 - ix. a description of the Bidder's intentions for the Business, including any

plans or conditions related to Tacora's management and employees;
and

- x. any other terms or conditions of the Bid that the Bidder believes are material to the transaction;
- f) it is not subject to the outcome of unperformed due diligence, internal approval(s) or contingency financing;
- g) it contains no conditions other than as contemplated by the Template Subscription Agreement or Template APA, as applicable;
- h) it fully discloses the identity of each entity that will be entering into the transaction, or that is sponsoring, participating in or benefiting from such Bid, and such disclosure shall include, without limitation: (i) in the case of a Bidder formed for the purpose of entering into the proposed transaction, the identity of each of the actual or proposed direct or indirect equity holders of such 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 Bidder or any of its equity holders and the terms of such benefit;
- i) it is accompanied by a non-refundable good faith cash deposit (the "**Deposit**") equal to 10% of the total cash component of the purchase price contemplated under the Bid which shall be paid to the Monitor and held in trust pursuant to Section 28 hereof until the earlier of (i) closing of the Successful Bid or Back-Up Bid, as applicable; and (ii) rejection of the Bid pursuant to Section 26;
- j) it includes acknowledgements and representations of the 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;
- k) it includes an acknowledgement that the Bid is made on an "as-is, where-is" basis; and
- l) it contains such other information as may be reasonably requested by Tacora, in consultation with the Financial Advisor and the Monitor.

Assessment of Bids

11. Bids may not be modified, amended, or withdrawn after the Bid Deadline without the written consent of Tacora, in consultation with the Financial Advisor and with the consent of the Monitor, except for proposed amendments to increase the purchase price or otherwise improve the terms of the Bid for Tacora, its creditors and other stakeholders.
12. Tacora, in consultation with the Financial Advisor and with the consent of the Monitor, shall reject any Bid if it is determined that such Bid does not constitute a Qualified Bid, provided that, Tacora, in consultation with the Financial Advisor and with the consent of the Monitor, may:
 - a) waive strict compliance with any one or more of the requirements specified above and deem such non-compliant Bid to be a Qualified Bid; or
 - b) seek to combine separate Bids to create a Qualified Bid.

No Bidder shall have any expectation that Tacora will (i) waive strict compliance with any one or more of the requirements; or (ii) seek to combine separate Bids to create a Qualified Bid.

13. If Tacora receives two (2) or more Qualified Bids, Tacora may, in consultation with the Financial Advisor and the Monitor, undertake one or more of the following steps:
 - a) request or negotiate one or more amendments to any Qualified Bids;
 - b) accept one of the 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 and select the next highest or otherwise best Qualified Bid 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; or
 - c) identify the highest and/or best of the Qualified Bids received and such Qualified Bid will constitute the opening bid for the purposes of the Auction (the "**Opening Bid**").
14. If Tacora receives only one (1) Qualified Bid, such Qualified Bid shall be declared the Successful Bid and an Approval Motion shall be brought forthwith.

Auction

15. If Tacora, in consultation with the Financial Advisor and the Monitor, determines that an Auction should be held, Tacora shall conduct an Auction commencing at 9:00 a.m. (Eastern time) on July 16, 2024, at the offices of Stikeman Elliott LLP located at 5300 Commerce Court West, 199 Bay Street, Toronto, Ontario M5L 1B9.

16. Except as otherwise permitted in Tacora's discretion, in consultation with the Financial Advisor and the Monitor, only Tacora, the Monitor, the Auction Bidders and, in each case, their respective advisors, counsel and other representatives, will be entitled to attend the Auction. Only Bidders who submitted a Qualified Bid are eligible to participate in the Auction. Each Auction Bidder shall identify to the Financial Advisor and the Monitor at least 24 hours in advance of the Auction who will attend the Auction on their behalf. The identity of each Bidder participating in the Auction (each Bidder participating in the Auction being an "**Auction Bidder**") will be disclosed to all other Auction Bidders. Each Auction Bidder shall keep the identities of each other Auction Bidder confidential.
17. Except as otherwise set forth herein, Tacora, in consultation with the Financial Advisor and the Monitor, may waive and/or employ and announce at the Auction additional rules that it considers reasonable under the circumstances for conducting the Auction, provided that such rules are: (a) disclosed to each Auction Bidder; and (b) designed, in Tacora's business judgement, to result in the highest and/or best offer.
18. Tacora will arrange for the actual bidding at the Auction to be transcribed or recorded. Each Auction Bidder participating in the Auction will designate a single individual to be its spokesperson during the Auction. The Auction shall be conducted on an open basis, such that all material terms of each Auction Bid at the Auction will be fully disclosed to all other Auction Bidders throughout the entire Auction.
19. Each Auction Bidder participating in the Auction must confirm on the record, at the commencement of the Auction and again at the conclusion of the Auction, that it has not engaged in any collusion with Tacora, another Bidder or any other person, without the consent of the Financial Advisor and the Monitor, regarding the Sale Process. Further, each Auction Bidder shall disclose all co-bidding or team bidding arrangements, whether formal or informal, among the Auction Bidder and any third party or financing source. The identity of any and all co-bidders or team bidders involved in submitting any Auction Bid shall be disclosed on the record at the Auction.
20. Bidding at the Auction will continue in minimum increments in excess of the Opening Bid determined from time to time by Tacora, in consultation with the Financial Advisor and the Monitor. Each overbid (an "**Auction Bid**") announced on the record at the Auction shall be deemed to be an irrevocable offer capable of acceptance by Tacora and may not be withdrawn or amended by the Auction Bidder without the consent of Tacora, in consultation with the Financial Advisor and the Monitor.
21. For the purposes of facilitating bidding, Tacora, in consultation with the Financial Advisor and the Monitor, may (but is not required to) ascribe a monetary value to any non-cash considerations of any of the Auction Bids, including by way of example, to different levels of conditionality to closing. If requested by Tacora, in consultation with the Financial Advisor and the Monitor, each Auction Bidder will provide evidence of its financial wherewithal and ability to consummate the transaction at an increased purchase price.
22. The Auction will continue until the bidding has concluded and Tacora, in consultation with the Financial Advisor and the Monitor, determine the Successful Bid. Tacora, in

- consultation with the Financial Advisor and the Monitor shall determine which Auction Bidder has submitted the highest and/or best Auction Bid of the Auction. At the conclusion of bidding, the Auction will be closed, and the highest and/or best Auction Bid, as determined by Tacora, in consultation with the Financial Advisor and the Monitor, will be Successful Bid and the next highest and otherwise best Auction Bid will be the Back-Up Bid, as applicable. Any Auction Bids submitted after the conclusion of the Auction will not be considered.
23. In determining the Successful Bid at the Auction, 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 Auction Bidder); (b) the firm, irrevocable commitment for financing of the transaction; (c) the claims likely to be created by such Auction Bid in relation to other Auction 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 Auction Bid; (i) any restructuring costs that would arise from the Auction 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.
 24. Upon selection of the Successful Bidder and a Back-Up Bidder, if any, Tacora will require the Successful Bidder and the Back-Up Bidder, if any, to execute, as soon as practicable, an amended Subscription Agreement or APA, as applicable, that reflects its final Bid and any other modifications submitted and agreed to during the Auction.
 25. If the 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 Bid. Any Back-Up Bid shall remain open for acceptance until the completion of the transaction with the Successful Bidder.
 26. All Qualified Bids (other than the Successful Bid and the Back-Up Bid, if any) 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.
 27. The Monitor shall supervise the Sale Process as outlined herein. Any disputes relating to a disagreement regarding or clarification required as to the interpretation or application of these Sale Procedures, the construction and enforcement of an Auction Bidder's Auction Bid and/or executed transaction documents, the responsibilities of the Monitor, the Financial Advisor or Tacora hereunder, shall be determined by the Court and each Auction Bidder shall be deemed to have consented to the jurisdiction of the Court in connection with any such disputes. The Court will have jurisdiction to hear such matters 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.

Deposits

28. All Deposits will be retained by the Monitor and deposited in an interest bearing trust account. The Deposit paid by the Successful Bidder and Back-Up Bidder whose Bid(s) is/are approved at the Approval Motion will be dealt with in accordance with the definitive documents for the transaction contemplated by the Successful Bid or the Back-Up Bid, as applicable, and will be non-refundable, other than in the circumstances set out in the Successful Bid or Back-Up Bid, as applicable. The Deposits (and any interest thereon) of Qualified Bidders not selected as the Successful Bidder or Back-Up Bidder will be returned to such Qualified Bidders within five (5) Business Days after the selection of the Successful Bidder or such 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 the Back-Up Bidder no later than five (5) Business Days after closing of the transaction contemplated by the Successful Bid.

Approval Motion

29. The Approval Motion shall be heard on July 26, 2024, or such earlier available date set by the Court. At the Approval Motion, Tacora shall seek the Approval Order.
30. Prior to the Approval Motion, the Monitor shall provide the Court with a report providing information on the process and including its recommendation in connection with the relief sought at the Approval Motion.

“As Is, Where Is”

31. Any sale of the Shares, Business, and/or Property, as applicable, will be on an “as is, where is” basis and without surviving representations or warranties of any kind, nature, or description by Tacora, the Financial Advisor or the Monitor, or their advisors or agents, except to the extent otherwise provided under any definitive sale agreement with the Successful Bidder or Back-Up Bidder, if any, executed by Tacora. None of Tacora, the Financial Advisor or the Monitor, or their advisors or agents, including the Financial Advisor, make any representation or warranty as to the information contained in any teaser letter, any management presentation or the VDR, except to the extent otherwise provided under any definitive sale agreement with the Successful Bidder or Back-Up Bidder, if any, executed by Tacora. Each 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 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 agreement executed by Tacora.

No Entitlement to Expense Reimbursement or Other Amounts

32. Bidders shall not be entitled to any breakup fee, termination fee, expense reimbursement, or similar type of payment or reimbursement.

Jurisdiction

33. Upon submitting a Bid, the Bidder shall be deemed to have submitted to the exclusive jurisdiction of the Court with respect to all matters relating to the Sale Process and the terms and conditions of these Sale Procedures and any Bid.
34. None of Tacora, the Financial Advisor or 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 Sale Process arising out of any agreement or arrangement entered into by the parties that submitted the Successful Bid and Back-Up Bid.

APPENDIX “A”

DEFINED TERMS

- (a) “**APA**” shall have the meaning attributed to it in the preamble;
- (b) “**Approval Motion**” means the motion seeking approval by the Court of the Successful Bid;
- (c) “**Approval Order**” means an order of the Court approving, among other things, if applicable, the Successful Bid and the consummation thereof;
- (d) “**Auction Bid**” shall have the meaning attributed to it in Section 20;
- (e) “**Auction Bidder**” shall have the meaning attributed to it in Section 16;
- (f) “**Back-Up Bid**” shall have the meaning attributed to it in Section 13.a);
- (g) “**Back-Up Bidder**” shall have the meaning attributed to it in Section 13.a);
- (h) “**Bid**” shall have the meaning attributed to it in Section 10;
- (i) “**Bidder**” means a Potential Bidder interested in the Opportunity who has executed an NDA with Tacora;
- (j) “**Bid Deadline**” shall have the meaning attributed to it in Section 10;
- (k) “**Business**” shall have the meaning attributed to it in the preamble;
- (l) “**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;
- (m) “**CCAA**” shall have the meaning attributed to it in the preamble;
- (n) “**CCAA Proceedings**” shall have the meaning attributed to it in the preamble;
- (o) “**Court**” shall have the meaning attributed to it in the preamble;
- (p) “**Credit Bid**” shall have the meaning attributed to it in Section 3;
- (q) “**Deposit**” shall have the meaning attributed to it in Section 10.i);
- (r) “**Financial Advisor**” shall have the meaning attributed to it in the preamble;
- (s) “**Initial Order**” shall have the meaning attributed to it in the preamble;
- (t) “**Monitor**” shall have the meaning attributed to it in the preamble;
- (u) “**Monitor’s Website**” means <http://cfcanada.fticonsulting.com/Tacora>;
- (v) “**NDA**” shall have the meaning attributed to it in Section 6.b);

- (w) **“Note Indentures”** means collectively, (a) the indenture dated as of May 11, 2021, and second supplemental indenture dated February 16, 2022, among Tacora and Computershare Trust Company, N.A., as successor to the initial trustee and collateral agent, pursuant to which Tacora issued \$225,000,000 of senior notes bearing interest at a rate of 8.25%; (b) the 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, pursuant to which 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; (c) the third supplemental indenture dated June 23, 2023; and (d) the fourth supplemental indenture dated September 8, 2023.
- (x) **“Offtake Agreement”** means the Restatement of the Iron Ore Sale and Purchase Agreement dated November 11, 2018, as amended;
- (y) **“Opening Bid”** shall have the meaning attributed to it in Section 13;
- (z) **“Opportunity”** shall have the meaning attributed to it in Section 2;
- (aa) **“Outside Date”** shall have the meaning attributed to it in Section 5;
- (bb) **“Potential Bidder”** shall have the meaning attributed to it in Section 6.b);
- (cc) **“Preliminary Motions”** shall have the meaning attributed to it in the preamble;
- (dd) **“Property”** shall have the meaning attributed to it in the preamble;
- (ee) **“Qualified Bid”** shall have the meaning attributed to it in Section 10;
- (ff) **“Residual Co.”** means a corporation to be incorporated by Tacora in advance of closing the transaction contemplated by the Successful Bid, to which any excluded Property or liabilities will be transferred to, which shall have no issued and outstanding shares;
- (gg) **“RVO”** shall have the meaning attributed to it in the preamble;
- (hh) **“Sale Process Order”** shall have the meaning attributed to it in the preamble;
- (ii) **“Sale Process”** shall have the meaning attributed to it in the preamble;
- (jj) **“Sale Procedures”** shall have the meaning attributed to it in the preamble;
- (kk) **“Shares”** shall have the meaning attributed to it in the preamble;
- (ll) **“Subscription Agreement”** shall have the meaning attributed to it in the preamble;
- (mm) **“Successful Bid”** shall have the meaning attributed to it in Section 13.a);
- (nn) **“Successful Bidder”** shall have the meaning attributed to it in Section 13.a);
- (oo) **“Template APA”** shall have the meaning attributed to it in Section 7;

- (pp) **“Template Subscription Agreement”** shall have the meaning attributed to it in Section 7; and
- (qq) **“VDR”** means a confidential virtual data room in relation to the Opportunity that will be made available by Tacora to Bidders that have executed an NDA.

Appendix “H”

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May 23, 2024

RE: Project Element

Ladies and Gentlemen:

Thank you for your continued interest in Tacora Resources Inc. ("**Tacora**" or the "**Company**").

On October 10, 2023, Tacora commenced proceedings (the "**CCAA Proceedings**") under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**") and the Ontario Superior Court of Justice (Commercial List) (the "**Court**") granted an initial order (as may be amended from time to time, the "**Initial Order**"), which, among other things, appointed FTI Consulting Canada Inc. as monitor (the "**Monitor**") in the CCAA Proceedings.

Greenhill & Co. Canada Ltd. ("**Greenhill**") is acting as Tacora's financial advisor and investment banker (the "**Financial Advisor**"). Capitalized terms used and not defined herein shall have the meanings given to them in the Procedures for the Sale Process (the "**Sale Procedures**").

The Company intends to seek an order (the "**Sale Order**") from the Court authorizing Tacora to undertake sale process including an auction (the "**Sale Process**") to solicit offers or proposals for a sale transaction (a "**Transaction**") in respect of Tacora's assets (the "**Property**") and business operations (the "**Business**"). The Sale Process is to be conducted by the Financial Advisor, and supervised by the Monitor, in the manner set forth in the Sale Procedures. The Sale Process is described in further detail in the Sale Procedures which will be provided to you in draft by Friday, May 24, 2024, and published on the Monitor's case website: <http://cfcanada.fticonsulting.com/tacora/>. The Sale Procedures are subject to Court approval and may be amended or modified, from time to time, by Tacora as necessary or desirable.

Pursuant to the proposed Sale Process, a Bidder that wishes to make a definitive Transaction proposal shall submit a binding offer that complies with all the requirements set forth in the Sale Procedures to the Financial Advisor via e-mail addressed to all the following individuals by no later than **12:00 p.m. (Eastern Time) on July 12, 2024** (the "**Bid Deadline**"):

Corporate and M&A Advisory

Michael Nessim	Usman Masood
Managing Director	Managing Director
+1 (416) 601-2577	+1 (416) 601-2578
+1 (416) 268-9295	+1 (647) 391-5531

Restructuring and Financing Advisory

Chetan Bhandari	Charles Geizhals
Managing Director	Principal
+1 (212) 389-1514	+1 (212) 389-1761
+1 (310) 592-4080	+1 (917) 254-3306

michael.nessim@greenhill.com usman.masood@greenhill.com chetan.bhandari@greenhill.com charles.geizhals@greenhill.com

With a copy to Tacora's legal counsel:

ataylor@stikeman.com; leenicholson@stikeman.com; nrambaran@stikeman.com; pyang@stikeman.com

And a copy to the Monitor and its legal counsel:

Paul.Bishop@fticonsulting.com; Jodi.Porepa@fticonsulting.com; rjacobs@cassels.com; jdietch@cassels.com

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All communications, inquiries and requests for information should be addressed only to the Greenhill representatives listed above.

Under no circumstance should you directly contact Tacora or its directors, officers, employees, contractors, customers, suppliers, or other stakeholders.

1. OPPORTUNITY

The Sale Process is intended to identify the highest and/or best Transaction offer. The form of Transaction will either be (a) a sale of all the Shares of Tacora pursuant to a reverse vesting order, or (b) a sale of all or substantially all the Property pursuant to an asset purchase agreement (the “**Opportunity**”). The form of Transaction will depend upon decisions of the Court issued before the Bid Deadline. Template transaction documentation will be provided for your review, via the VDR, in advance of the Bid Deadline.

2. BID SUBMISSION GUIDELINES

A Bidder that wishes to make a Bid shall submit a binding offer that complies with all the criteria described in the Sale Procedures to the Financial Advisor (including by email) with a copy to the Monitor (including by email), such that the Financial Advisor receives the submission no later than **12:00 p.m. (Eastern Time) on July 12, 2024**, or such later date as determined by Tacora, in consultation with the Financial Advisor and with the consent of the Monitor.

Tacora, in consultation with the Financial Advisor and with the consent of the Monitor, will reject any Bid if it is determined that such Bid does not constitute a Qualified Bid. No Bidder shall have any expectation that Tacora will waive strict compliance with any one or more of the requirements.

If your Bid is determined to be a Qualified Bid, the Company and Greenhill, in consultation with the Monitor, will determine whether to engage with you further and will advise you of the next steps related thereto.

3. MILESTONES

The proposed Sale Procedures contemplate the following milestones, which may be amended or modified, from time to time, by Tacora as necessary or desirable.

Event	Timing
<p>1. Access to VDR and Template Subscription Agreement or Template APA, as applicable</p> <p>Bidders provided access to the VDR, subject to execution of an appropriate NDA and provided with a copy of the Template Subscription Agreement or Template APA, as applicable.</p>	<p>Access to the VDR has been and will be provided to parties on a rolling basis following request for access and execution of an appropriate NDA.</p>
<p>2. Bid Deadline</p> <p>Deadline for Bidders to submit binding definitive offers</p>	<p>July 12, 2024</p>
<p>3. Auction</p>	<p>July 16, 2024</p>

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4. Approval Motion Hearing of Approval Motion in respect of Successful Bid (subject to Court availability).	If there is only one Qualified Bid, 14 days following selection of the Successful Bidder. If an Auction is held, July 31, 2024.
5. Outside Date – Closing Outside Date by which the Successful Bid must close.	To be determined

4. AUCTION

If Tacora receives two or more Qualified Bids and determines, after consultation with the Monitor, that it is appropriate in the circumstances, Tacora may conduct an Auction commencing at **9:00 a.m. (Eastern Time) on July 16, 2024**, at the offices of Stikeman Elliott LLP located at 5300 Commerce Court West, 199 Bay Street, Toronto, Ontario M5L 1B9. Further details regarding any such Auction can be found in the Sale Procedures attached hereto as Schedule A.

5. COMMUNICATION PROTOCOL

Unless arranged by Greenhill, under no circumstances should you or your associates, advisors or agents communicate directly or indirectly with the Company, the Company's management, directors or employees or any other party, including, in particular, any third party who may trade or do business with, or who may have contractual relationships with, the Company and any other prospective purchaser of any assets of the Company in relation to the Sale Process or any contemplated transaction without the prior written consent of the Financial Advisor or the Company. For further clarity, to the extent your proposal would require a discussion with either the Ad Hoc Group of Noteholders (the "AHG") of Tacora and / or Cargill, please submit such request to Greenhill to arrange the discussion. Any questions regarding the Sale Process or any Transaction should be directed only to the identified representatives of Greenhill.

6. OTHER ITEMS

This letter does not constitute a proposal to sell or otherwise engage in any Transaction with respect to the Company and until one or more definitive agreements with respect to a Transaction is executed and delivered by the parties thereto and approved by the Court, neither the Company nor any other person shall have any obligation to any party regarding any Transaction.

You must bear all costs of your investigation and evaluation of the Company, including the fees and disbursements of your legal counsel and/or any other advisors. This process letter shall be governed by and construed in accordance with laws of the Province of Ontario. By submitting a Bid in accordance with the Sale Procedures, you consent to the provisions of this process letter and the Sale Procedures.

In submitting a Bid, you acknowledge that you are relying solely on your own investigation and evaluation of the Company and its Property and Business. None of the Company, the Financial Advisor, the Monitor, or any other advisor or representative of the Company or its respective affiliates makes any express or implied representations or warranties with respect to the matters contemplated hereby and each disclaims any and all liability for any claims as to representations, warranties or statements contained in this letter or in any other written (or electronic) material furnished or information orally transmitted to any interested party, except only those particular representations and warranties made by the Company in any definitive duly executed transaction agreements if, as and when any such definitive agreements may ultimately be executed by the Company, and subject to such limitations and restrictions as may be contained therein. Until definitive agreements are executed by the Company, the Company, the

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Financial Advisor or the Monitor will not have any obligations whatsoever to any actual or potential Bidder, purchaser or investor.

You are reminded that all discussions regarding the Company, the Sale Process and any contemplated Transaction, the existence and contents of this letter and any Bid submitted by you are governed by and subject to the terms of the Non-Disclosure Agreement previously executed by you.

Greenhill is available to consult with potentially interested parties prior to the submission of the Bid Deadline to clarify information and procedures and to answer questions. On behalf of the Company, we appreciate your interest in the Company and look forward to receiving your Qualified Bid.

Sincerely,

Corporate and M&A Advisory

Michael Nessim
Managing Director
+1 (416) 601-2577
+1 (416) 268-9295

Usman Masood
Managing Director
+1 (416) 601-2578
+1 (647) 391-5531

Restructuring and Financing Advisory

Chetan Bhandari
Managing Director
+1 (212) 389-1514
+1 (310) 592-4080

Charles Geizhals
Principal
+1 (212) 389-1761
+1 (917) 254-3306

michael.nessim@greenhill.com

usman.masood@greenhill.com

chetan.bhandari@greenhill.com

charles.geizhals@greenhill.com

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.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT
TORONTO

NINTH REPORT OF THE MONITOR

Cassels Brock & Blackwell LLP

Suite 3200, Bay Adelaide Centre – North Tower
40 Temperance St.
Toronto, ON M5H 0B4

Ryan Jacobs LSO#59510J

Tel: 416.860.6465
rjacobs@cassels.com

Jane Dietrich LSO#49302U

Tel: 416.860.5223
jdietrich@cassels.com

Alan Merskey LSO#413771

Tel: 416.860.2948
amerskey@cassels.com

Monique Sassi LSO# 63638L

Tel: 416.860.6886
msassi@cassels.com

Lawyers for the Monitor, FTI Consulting Canada Inc.