



No. S-226670
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

AND

**IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*,
S.B.C. 2002, c.57, AS AMENDED AND THE *BUSINESS CORPORATIONS ACT*, S.N.B.
1981, C-9.1, AS AMENDED**

AND

**IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF
TREVALI MINING CORPORATION AND TREVALI MINING (NEW BRUNSWICK)
LTD.**

PETITIONERS

NINTH REPORT OF THE MONITOR

MARCH 27, 2023

NINTH REPORT OF THE MONITOR

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INTRODUCTION

1. On August 19, 2022 (the “**Filing Date**”), Trevali Mining Corporation (“**Trevali Corp.**”) and Trevali Mining (New Brunswick) Ltd. (“**Trevali NB**” and collectively, “**Trevali**” or the “**Applicants**”) commenced proceedings (the “**CCAA Proceedings**”) under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) pursuant to an order granted by this Honourable Court which was subsequently amended and restated on August 29, 2022 (the “**ARIO**”).
2. The ARIO appointed FTI Consulting Canada Inc. (“**FTI**”) as Monitor in the CCAA Proceedings (the “**Monitor**”) and established a stay of proceedings (the “**Stay of Proceedings**”) in favour of the Applicants until October 6, 2022. The Stay of Proceedings has since been extended until and including April 30, 2023 in respect of Trevali Corp. The Stay of Proceedings in respect of Trevali NB expired on January 24, 2023.
3. On September 14, 2022, this Honourable Court granted the following orders:
 - a. an order approving procedures for a sales and investment solicitation process (the “**SISP**”) and a sales agent agreement between Trevali Corp. and National Bank Financial Inc. (the “**Sales Agent**”) and granting a charge to secure the Sales Agent’s fees; and
 - b. an order approving a key employee retention plan (the “**KERP**”) and granting a charge over the Applicants’ property in favour of the KERP employees as security for the amounts payable under the KERP in the amount of US\$800,000.
4. On October 12, 2022, this Honourable Court granted the following orders:
 - a. an order authorizing and empowering Trevali Corp. to obtain and borrow an interim financing tranche (the “**Interim Financing Tranche**”) agreed amongst Trevali Corp., the RCF Lenders, as defined in the First Report of the Monitor,

dated August 26, 2022, and the administrative agent for the RCF Lenders, Bank of Nova Scotia (the “**RCF Administrative Agent**”), and granting a charge in favour of the RCF Administrative Agent, on behalf of the RCF Lenders, to secure obligations in connection with the Interim Financing Tranche; and

- b. an order authorizing and approving a settlement agreement (the “**Settlement Agreement**”) between the Applicants, the RCF Lenders, Glencore International AG, Glencore AG and Glencore Canada Corporation (collectively, “**Glencore Group**”) resolving the issues which arose in response to Glencore Group declining to advise whether they would assert a right of set-off against amounts owing by them for delivery under off-take agreements with the Applicants and certain affiliated entities.
5. On December 21, 2022, in connection with the SISF and relating to the Rosh Pinah mine, this Honourable Court granted an order, among other things, approving Trevali Corp.’s execution of a Share and Asset Purchase Agreement dated December 15, 2022 between Trevali Corp., as vendor, and Appian Natural Resources Fund III LP and Appian Natural Resources (UST) Fund III LP (collectively, “**Appian**”), as purchasers (the “**Appian SPA**”).
6. On January 9, 2023, this Honourable Court granted the following orders:
 - a. an order (the “**Receivership Order**”) appointing FTI as Receiver, without security, of all of the assets, undertakings and property of Trevali NB, including all proceeds thereof, other than any real property, mineral claims, mining leases, real property leases owned or held by Trevali NB (collectively, the “**Property**”) and an order excluding from the Property an amount sufficient to pay statutory severance and retention bonuses to employees of Trevali NB (the “**Employment Amount**”) as of January 24, 2023 at 11:59pm PST (the “**Appointment Time**”), with any excess funds from the Employment Amount to be delivered to the Receiver; and

- b. an order authorizing and approving the Department of Natural Resources and Energy Development (“**DNRED**”) and its approved contractors’ right to rent and use certain equipment currently owned or leased by Trevali NB, on terms and conditions consistent with the terms agreed to by DNRED, the RCF Administrative Agent, on behalf of the RCF Lenders, Glencore Canada Corporation and Trevali NB (the “**Rental Terms**”) from the commencement of the rental term until and including March 15, 2023 in exchange for payment of \$198,000, and an order extending the Stay of Proceedings in respect of Trevali NB until and including January 24, 2023.
7. On March 24, 2023, the Applicants filed a Notice of Application for an Order approving a process for determining the nature and amounts of claims against the Applicants and their Directors and Officers (the “**Claims Process Order**”).

PURPOSE

8. The purpose of this Ninth Report is to provide this Honourable Court and the Applicants’ stakeholders with information with respect to:
 - a. an update on the SISP;
 - b. a description of the claims process proposed by the Applicants (the “**Claims Process**”);
 - c. the Settlement Agreement and the application of amounts that may be recovered by Glencore Group thereunder against the Applicants;
 - d. the Applicants’ actual cash receipts and disbursements for the 30-week period ended March 14, 2023 (the “**Reporting Period**”) as compared to the cash flow statement included in the Eighth Report of the Monitor dated January 25, 2023 (the “**Trevali Corp. Cash Flow Statement**”); and

- e. the Monitor's conclusions and recommendations.
9. FTI plans to file a separate report to update this Honourable Court with respect to the receivership proceedings of Trevali NB.

TERMS OF REFERENCE

10. In preparing this report, the Monitor has relied upon certain information (the "**Information**") including the Applicants' unaudited financial information, books and records and discussions with senior management ("**Management**").
11. Except as described in this report, 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 Assurance Standards pursuant to the Chartered Professional Accountants of Canada Handbook.
12. The Monitor has not examined or reviewed financial forecasts and projections referred to in this report in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.
13. Future-oriented financial information reported to be relied on in preparing this report is based on Management's assumptions regarding future events. Actual results may vary from forecast and such variations may be material.
14. Unless otherwise stated, all monetary amounts contained herein are expressed in United States dollars to be consistent with the Applicants' primary reporting currency.
15. Capitalized terms not otherwise defined herein are as defined in the First Report of the Monitor in these CCAA Proceedings dated August 26, 2022.

UPDATE ON THE SISP

16. Trevali Corp. continues to work towards the anticipated closing of the transaction contemplated by the Appian SPA, including:
- a. supporting Appian with its efforts to obtain the requisite Namibian regulatory approvals, including:
 - i. the Namibian Competition Commission; and
 - ii. the exchange control approvals pursuant to the Namibian *Exchange Control Regulations, 1961* including any authorization required from the Bank of Namibia in connection with the flow of funds pursuant to the Appian SPA;
 - b. providing operational and financial information to Appian in line with pre-closure protocols;
 - c. attending weekly transition meetings with Appian;
 - d. preparing for a third Appian site visit to Rosh Pinah during the week of March 27th, 2023; and
 - e. preparing for the pre-closing reorganization specified in the Appian SPA, which is planned to occur shortly before closing.
17. Trevali Corp. is in discussions with Appian regarding an anticipated extension to the Outside Closing Date, as defined in the SISP. The Outside Closing Date was previously extended to April 30, 2023. Trevali Corp. anticipates a further extension to accommodate the revised meeting schedule of the Namibian Competition Commission, which is now scheduled for April 20, 2023. Trevali Corp. anticipates that the transaction contemplated by the Appian SPA will close prior to the end of May 2023.

18. Trevali Corp. anticipates requesting the approval of the RCF Administrative Agent to amend the terms of the Interim Financing Tranche in order to accommodate a revised Outside Closing Date, as appropriate.
19. Trevali Corp., in consultation with Appian, have revised the operating budget as set out in schedule 4.3(a)(i) of the Disclosure Letter appended to the Appian SPA to reallocate certain budgeted capital spend from sustaining capital to development and exploration capital through April 30, 2023 without revising the overall forecast expenditures in the operating budget and is therefore expected to be cash neutral.
20. Trevali Corp., in consultation with the Monitor and Appian, is currently evaluating funding alternatives for any incremental capital expenditures that may result from the potential extended closing timelines beyond April 30, 2023 described above.

SETTLEMENT AGREEMENT

21. As described in the Fourth Report of the Monitor (the “**Fourth Report**”), the Applicants, the RCF Lenders and Glencore Group reached the Settlement Agreement on or about October 11, 2022, resolving issues which arose in response to Glencore Group declining to advise whether they will assert a right of set-off against amounts owing by them for delivery under off-take agreements with the Applicants and certain affiliated entities. The Settlement Agreement was approved by this Honourable Court on October 12, 2023 and the material in support of the Order sought was detailed in the Notice of Application, Affidavit in support and the Fourth Report.
22. In early February 2023, the Monitor became aware of Glencore Group’s view that certain net proceeds to be distributed to Glencore Group under the Settlement Agreement are not intended to reduce secured amounts owing under the lending facility due to Glencore Canada Corporation. On March 24, 2023, Glencore Group subsequently advised the Monitor that it is of the view that the \$3 million payment to the Glencore Group is an additional payment to be made by Trevali Corp., constitutes a post-filing obligation of Trevali Corp. and does not reduce any liabilities owing to Glencore Group.

23. Trevali Corp. is of the view that the net proceeds distributed to Glencore Group under the Settlement Agreement are to reduce the secured amounts due to Glencore Canada Corporation.
24. The Monitor was not privy to the negotiations of the Settlement Agreement and, at the time of the Settlement Agreement, no party advised the Monitor that the Settlement Agreement was intended to pay, or had the effect of paying, Glencore Group amounts beyond reducing the secured amounts due to Glencore Canada Corporation. Had the Monitor been advised of this purported intention, the Monitor would have reported it to the stakeholders and commented on whether such a payment was fair, reasonable and necessary in the circumstances.
25. Given that the Monitor was not privy to the negotiations of the Settlement Agreement at that time, the Monitor has requested that Trevali Corp., the RCF Lenders and Glencore Group provide any documents, drafts or other communications that may have been exchanged between the parties or counsel during the negotiations that would assist with interpretation of the Settlement Agreement, subject to consideration of privilege. The RCF Lenders and Glencore Group have declined to provide such and have both have indicated that any communications or other documents exchanged are subject to, among other things, settlement privilege.
26. The Monitor was surprised when it recently learned that this purported interpretation was being advanced by Glencore Group. As of the date of this report, the Monitor has not yet formed a definitive view and will seek the assistance of this Honourable Court to determine the proper interpretation of the Settlement Agreement.

CLAIMS PROCESS

27. The Applicants are seeking approval of the Claims Process Order to establish a process for determining the nature and amounts of claims against the Applicants for potential voting and/or distribution within the CCAA Proceedings. Any capitalized terms not defined herein are used as defined in the Claims Process Order.

28. The Claims Process Order describes the following types of claims that may be asserted against the Applicants:

- a. Pre-Filing Claims: generally, claims that existed (in whole or in part) prior to the Filing Date. For greater certainty Pre-Filing Claims include Secured Claims, Tax Claims, and Equity Claims or any claims brought by any proposed or confirmed representative plaintiff on behalf of a class in a class action, and any claims made by the Glencore Group in respect of any obligations owed or alleged to be owed by either of the Applicants to the Glencore Group;
- b. Director/Officer Claims: claims for which any of the Applicants' directors or officers are by statute or otherwise by law liable in their capacity as directors or officers or in any other capacity;
- c. Employee Claims: claims of an employee, including where applicable, for termination and severance pay;
- d. Environmental Claims: claims related to any environmental or reclamation obligations owed or alleged to be owed, whenever arising, including, without limitation, any claim that may be asserted against either of the Applicants or in respect of the Applicants' Property (as defined in the ARIO) pursuant to any provincial or federal legislation or regulation;
- e. Restructuring Claims: claims arising out of the disclaimer, resiliation or termination on or after the Filing Date of any contract, lease or other agreement or arrangement;
- f. Intercompany Claims: rights or claims of a direct or indirect wholly owned subsidiary against the Applicants;
- g. Secured Claims: any claim of a creditor who is a "secured creditor" within the meaning of the CCAA;

- h. Tax Claims; any claim against an Applicant for any taxes in respect of any taxation year or period ending on or prior to the Filing Date;
- i. Equity Claims: any claim as defined in section 2(1) of the CCAA;
- j. Post-Filing Claims: any indebtedness, liability, or obligation of an Applicant of any kind that arises after the Filing Date, provided that Post-Filing Claims shall not include (i) any Restructuring Claims, (ii) any claim made by the Glencore Group, (iv) any Environmental Claim, (iv) any Pre-Filing claim and (v) the accrual of interest on any unsecured indebtedness, liability, or obligation of an Applicant; and
- k. Unaffected Claims: claims that are unaffected by the Claims Process, including:
 - i. the secured claim of the RCF Lenders;
 - ii. the secured claim of Glencore Canada Corporation,
 - iii. the claim by Glencore Group under the Settlement Agreement, not to exceed \$3,000,000;
 - iv. any claims secured by way of a CCAA Charge;
 - v. any claims that cannot be compromised due to the provisions of sections 5.1(2) and 19(2) of the CCAA;
 - vi. any claim in respect of any payments referred to in sections 6(3), 6(5) and 6(6) of the CCAA; and
 - vii. any Post-Filing Claims.

29. The Claims Process Order contemplates a negative assurance claims process for creditors for which Trevali Corp., or the Monitor in the case of Trevali NB, has sufficient

information to make a reasonable assessment of the claim (the “**Known Claim Value Creditors**”). Known Claim Value Creditors will not be required to file proofs of claim but will instead be sent a claims notice which shall set forth the claim that such Known Claim Value Creditor has against any or all of the Applicants, according to the applicable Applicants’ books and records. Should a Known Claim Value Creditor disagree with the assessment of its claim, it will be required to complete and return to the Monitor a proof of claim form (“**Proof of Claim**”) setting forth the amount, status and documentation of the alleged claim.

30. The completed Proof of Claim must be received by the Monitor before the Claims Bar Date, or the Restructuring Claims Bar Date, as applicable, or the creditor will be deemed to have accepted the claim set forth in in the claims notice and any such further claim against Trevali Corp. or Trevali NB, or the applicable Applicants’ Directors and Officers will be forever barred and extinguished.
31. A Creditor that is not a Known Claim Value Creditor, but is known to the Monitor, will be sent an Other Creditor Claims Package. Any Creditor who receives an Other Creditors Claims Package that wishes to assert a Claim, or any other Creditor who does not receive a Claims Package but wishes to assert a Claim must file a Proof of Claim to prove their claims with the Monitor before the Claims Bar Date or Restructuring Claims Bar Date, as applicable, or will otherwise be barred from making or enforcing a claim against either or both of the Applicants.
32. Where a Proof of Claim is disputed in whole or in part, the Monitor will issue a Notice of Revision or Disallowance advising the creditor of the reasons for that decision no later than 21 business days after the Claims Bar Date. If a creditor objects to the Notice of Revision or Disallowance, the creditor must submit a Dispute of Revision or Disallowance to the Monitor within five business days of the delivery date and serve on Trevali Corp., or Trevali NB, as applicable, and the Monitor a Notice of Application seeking to appeal the Notice of Revision or Disallowance within 15 business days of the delivery date, along with all supporting affidavit material.

33. The existence, validity and amount of any Intercompany Claims shall be determined by the Court at a subsequent date, if necessary, and no Proof of Claim form shall be required to be submitted by either Applicant with respect to any Intercompany Claims.
34. Any creditor that wishes to assert a Director/Officer Claim must submit a Director/Officer Claim Form to the Monitor before the Claims Bar Date. Failure to submit a Director/Officer Claim to the Monitor prior to the Claims Bar Date will result in such creditor's Director/Officer Claim being forever barred and extinguished.
35. Although Trevali NB is in receivership, the Monitor is of the view that it is both efficient and appropriate for the Claims Process for both Applicants to be carried out in the CCAA Proceedings. The Claims Process will also allow for the determination of claims so that any distributions to be made to creditors in the receivership can be effectively carried out.
36. The key aspects and timelines of the Claims Process are set out in the below table:

Event	Applicable Dates/Timing
Delivery of Claims Packages to Known Claim Value Creditors and Other Creditors	March 31, 2023
Claims Bar Date	4:00 p.m. (Vancouver time) on April 21, 2023
Restructuring Claims Bar Date	Later of the Claims Bar Date and 4:00 p.m. on the day that is 15 calendar days after the date that an applicable Notice of Disclaimer or Resiliation is sent to a creditor, or such other day that may be ordered by the Court.
Adjudication of claims by the Monitor	Following receipt of proofs of claim

Issuance of Notice of Revision or Disallowance by the Monitor	No later than 21 business days after the Claims Bar Date or the Restructuring Claims Bar Date
Objection to the Notice of Revision or Disallowance by a Creditor	Within 5 business days after the date of the delivery of the Notice of Revision or Disallowance
File and serve on the applicable Applicant and the Monitor, and if the disputed claim includes a Director/Officer Claim, the applicable Director or Officer, a Notice of Application seeking to appeal the Notice of Revision or Disallowance	Within 15 business days after the date of the delivery of the Notice of Revision or Disallowance

37. The Monitor is to supervise the delivery and receipt of the various forms and notices and, in conjunction with Trevali Corp., review the claims submitted by creditors and may at any time:

- a. refer a claim for resolution to this Honourable Court for any purpose where in the Monitor's discretion, in consultation with Trevali Corp., such a referral is preferable or necessary for the resolution or the valuation of the claim;
- b. in writing, accept the amount of claim for voting purposes;
- c. settle and resolve any disputed claims in writing, other than a Director/Officer Claim; and
- d. extend the time period within which the Monitor, a creditor, or any other party is required to take any steps related to adjudication of claims pursuant to the Claims Process Order provided that no extension of time by the Monitor shall impact a creditor's obligation to deliver a Proof of Claim to the Monitor by the Claims Bar

Date or Restructuring Bar Date, as applicable, allowing the Monitor to “pause” the adjudication of Claims should the Monitor determine it is in the Applicants and their stakeholders’ best interest to do so.

38. The Monitor’s comments on the proposed Claims Process Order are as follows:

- a. the Claims Process allows for the determination of claims against the Applicants in a fair, transparent, comprehensive and expeditious manner;
- b. the Applicants maintain robust books and records to support the Known Claim Value Creditor amounts and all other creditors will be required to file a Proof of Claim in the prescribed manner;
- c. the Claims Bar Date and Restructuring Claims bar date provide sufficient time for potential Claimants to evaluate and submit any Proof of Claim;
- d. the Claim Process provides a prescribed structure for adjudicating disputed claims;
- e. undertaking the Claims Process on the proposed timeline will allow for claims to be evaluated while key Management personnel are still available to assist and institutional knowledge is readily available;
- f. the Claims Process will determine the gross amount of claims, if any, that are being asserted against Directors and Officers of the Applicants which will assist Trevali Corp. when it seeks to extend its Director and Officer insurance coverage upon its policy expiry on April 30, 2023;
- g. determining the amount and nature of claims against the Applicants on the proposed timeline will expedite the eventual distribution of net proceeds from the anticipated closing of the Appian Transaction and the Applicants’ other assets;

- h. the Claims Process recognizes the complex circumstances surrounding certain claims and is tailored to address those in a fair and efficient manner, for example, permits Glencore Group to pursue a certain claim it may assert under the Settlement Agreement as an Unaffected Creditor; and
- i. overall, the Monitor is of the view that the Claims Process Order and applicable timelines are fair and reasonable in the circumstances to all creditors.

CASH FLOW VARIANCE ANALYSIS

Trevali Corp.

39. The Monitor has undertaken weekly reviews of Trevali's actual cash flows in comparison to those contained in the Trevali Corp. Cash Flow Statement. Trevali Corp.'s actual cash receipts and disbursements as compared to the Trevali Corp. Cash Flow Statement for the period of August 17 to March 14, 2023, are summarized below:

Trevali Corp.			
Cash Flow Variance Analysis			
Thirty Week Period Ended March 14, 2023			
(USDS thousands)	Actual	Forecast	Variance
Operating Receipts			
Other Receipts	162	148	15
Total Receipts	162	148	15
Operating Disbursements			
Payroll and Benefits	2,177	2,267	90
Trade Accounts Payable	924	1,547	622
Operating Leases	269	274	5
Insurance	989	906	(82)
Restructuring Professional Fees	5,392	6,716	1,324
Other Professional Fees	-	120	120
Other Operating Disbursements	63	335	272
Total Operating Disbursements	9,815	12,166	2,351
Net Change in Cash from Operations	(9,652)	(12,018)	2,366
Financing			
Intercompany Receipts / (Disbursements)	(15,600)	(15,510)	(90)
Interim financing	13,000	13,000	-
Net Change in Cash from Financing	(2,600)	(2,510)	(90)
Effect of Foreign Exchange Translation	(83)	(63)	(20)
Net Change in Cash	(12,336)	(14,591)	2,256
Opening Cash	15,342	15,342	-
Ending Cash	\$ 3,006	\$ 751	\$ 2,256

40. Overall, the Applicants realized a favourable net cash flow variance of approximately \$2.3 million. The key components of the variance are as follows:

- a. trade accounts payable and other operating disbursements were lower than forecast due to cost containment initiatives and timing differences;
- b. restructuring professional fees and other professional fees were lower than forecast due to timing differences and fewer workstreams than expected; and
- c. a summary of the professional fee disbursements incurred in the CCAA Proceedings to date is set out in the table below:

Professional Fee Summary					
Thirty Week Period Ended March 14, 2023					
<i>(USD\$ thousands)</i>					
Firm	Role	Fees	Disbursements	Taxes	Total
Blakes, Cassels & Graydon LLP	Counsel to Trevali	1,408	3	169	1,580
FTI Consulting Canada Inc.	Monitor	944	41	49	1,034
Dentons Canada LLP	Monitor's Counsel	350	6	42	398
Alvarez & Marsal Canada Inc.	RCF Lenders' Financial Advisor	520	12	27	559
Fasken Martineau DuMoulin LLP	RCF Lenders' Counsel	399	1	58	458
National Bank Financial	Financial Advisor	663	1	33	697
Black Swan Advisors Inc.	Advisor to the Special Committee	500	3	60	563
Osler, Hoskin & Harcourt LLP	Independent Board of Directors Counsel	37	-	4	42
Longview	Consulting	13	-	1	15
Other	Foreign Counsel to Trevali	44	1	1	46
Total		\$ 4,880	\$ 67	\$ 445	\$ 5,392

Rosh Pinah

41. The actual cash receipts and disbursements incurred by Rosh Pinah as compared to the Fourth Rosh Pinah Cash Flow Statement for the period of August 17, 2022 to March 14, 2023, are summarized below:

Rosh Pinah			
Cash Flow Variance Analysis			
Thirty Week Period Ended March 14, 2023			
<i>(USDS thousands)</i>			
	Actual	Forecast	Variance
Operating Receipts			
Sales	43,028	41,125	1,904
Other Receipts	4,179	5,292	(1,114)
Total Receipts	47,207	46,417	790
Operating Disbursements			
Sales Expenses	6,934	6,695	(239)
Payroll and Benefits	9,584	10,083	499
Trade Accounts Payable	18,466	20,553	2,087
Utilities	4,026	4,080	54
Insurance	210	215	5
Tax	2,622	2,708	86
Capital Expenditures	10,640	10,992	352
Other Operating Disbursements	208	259	51
Total Operating Disbursements	52,691	55,585	2,894
Net Change in Cash from Operations	(5,483)	(9,167)	3,684
Financing			
Intercompany Receipts / (Disbursements)	15,600	15,510	90
Net Change in Cash from Financing	15,600	15,510	90
Effect of Foreign Exchange Translation	(356)	(167)	(188)
Net Change in Cash	9,761	6,175	3,586
Opening Cash	1,588	1,588	-
Ending Cash	\$ 11,349	\$ 7,763	\$ 3,586

42. Rosh Pinah realized a favourable variance of approximately \$3.6 million during the period. The key components of the variance are as follows:

- a. a positive variance in sales receipts is the result of higher than forecast zinc prices, partially offset by a timing difference in the receipt of VAT;
- b. sales expenses have increased as a result of an increase in the final reconciliation of concentrate sales; and

- c. payroll, trade payables and capital expenditures are lower than forecast primarily as a result of ongoing cost containment measures and efforts to preserve value at the Rosh Pinah mine, as well as certain timing differences that are expected to reverse in the coming weeks.

CONCLUSIONS AND RECOMMENDATIONS

- 43. As described above, Trevali Corp. is working diligently towards the anticipated closing of the transaction contemplated by the Appian SPA which, along with the realization of Trevali Corp.'s other assets and the potential net recoveries from the Trevali NB receivership proceedings, is expected to result in net cash proceeds available for distribution to the Applicants' creditors.
- 44. The Claims Process Order will establish a fair, transparent and timely process for determining the nature and amounts of claims against the Applicants for potential voting and/or distribution of proceeds within the CCAA Proceedings.
- 45. Based on the foregoing, the Monitor respectfully recommends that this Honourable Court grant the Claims Process Order.

All of which is respectfully submitted this March 27, 2023.

FTI Consulting Canada Inc.
in its capacity as Monitor of Trevali



Tom Powell
Senior Managing Director



For: Mike Clark
Senior Director