



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. B-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

TWENTIETH REPORT OF THE MONITOR

June 2, 2025

TWENTIETH REPORT OF THE MONITOR

Table of Contents

INTRODUCTION	3
PURPOSE.....	5
TERMS OF REFERENCE.....	6
SHAREHOLDER SETTLEMENT AGREEMENT.....	6
CONCLUSION.....	9

INTRODUCTION

1. On August 19, 2022, 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 (in such capacity, 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 September 30, 2025 in respect of Trevali Corp.
3. On September 14, 2022, this Honourable Court granted 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.
4. On December 21, 2022, in connection with the SISP 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, as purchasers.
5. On January 9, 2023, this Honourable Court granted an order (the “**Receivership Order**”) appointing FTI as receiver (in such capacity, the “**Receiver**”) of all of the assets, undertakings and property of Trevali NB, including all proceeds thereof, other than any real property, mineral claims, mining leases, or real property leases owned or held by Trevali NB (collectively, the “**Property**”) effective on January 24, 2023.

6. On March 29, 2023, this Honourable Court granted:
 - a. an order (the “**CPO**”) approving a process for determining the nature and amounts of certain claims against the Applicants and their respective directors and officers (the “**Claims Process**”); and
 - b. an order appointing the members of the Ad Hoc Committee of Shareholders of Trevali Corp. (the “**Shareholder Representatives**”) as representatives of the interests of certain securities claimants and appointing KND Complex Litigation as counsel to the Shareholder Representatives (the “**Shareholder Representatives’ Counsel**”).
7. On June 28, 2023, this Honourable Court granted an order expanding the powers of the Monitor with respect to Trevali Corp. and its property (the “**EMP Order**”).
8. On April 26, 2024, this Honourable Court granted an order that the proof of claim submitted by the Shareholder Representatives (the “**Shareholders’ Claim**”) is not subject to the CPO and that the Shareholders’ Claim be adjudicated through an alternative procedure including participation in mediation and the ability to apply to this Honourable Court for further directions in respect of the adjudication of the Shareholders’ Claim.
9. On March 11, 2025, a settlement agreement with respect to the Shareholders’ Claim was reached and on March 17, 2025, this Honourable Court granted an order (the “**Class Action Certification Order**”) lifting the stay of proceedings to allow the class action application to proceed and certifying the class action for settlement proposes.
10. On May 30, 2025, the Shareholder Representatives’ Counsel filed a Notice of Application for the following:
 - a. an order (the “**Shareholder Settlement Approval Order**”) approving the settlement agreement dated March 11, 2025 (the “**Shareholder Settlement Agreement**”) between the Shareholder Representatives and TMC, Ricus

Grimbeek, Brendan Creaney, Jill Gardiner, Russell Ball, Aline Cote, Nick Popovic, Jeane Hull, Dan Isserow and Richard Williams (the “**Defendants**”);

b. an order approving:

- i. the proposed plan of allocation which details how the proceeds will be distributed;
- ii. the appointment of Concilia Services Inc. as Claims Administrator (as defined in the Shareholder Settlement Agreement);
- iii. the dissemination of the Long-Form Second Notice of Settlement (as defined in the Shareholder Settlement Agreement); and
- iv. the administration and distribution of the Settlement Amount (as subsequently defined) after the deduction of the fees of the Shareholder Representative Counsel and honorariums, plus applicable taxes; and

c. an order approving:

- i. an honorarium payment to each of the Shareholder Representatives in the amount of \$2,500; and
- ii. approval of the Shareholder Representative Counsel’s fees in the amount of \$840,000, and approval of the Shareholder Representative Counsel’s expenses in the amount \$58,079.01, plus applicable taxes.

PURPOSE

11. The purpose of this Twentieth Report of the Monitor is to provide this Honourable Court and Trevali’s stakeholders with information with respect to the Shareholder Settlement Agreement and to convey the Monitor’s support for approval of the Shareholder Settlement Agreement.

TERMS OF REFERENCE

12. 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 former senior management of Trevali Corp. (“**Management**”).
13. 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.
14. 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.
15. Future-oriented financial information reported to be relied on in preparing this report is based on assumptions regarding future events. Actual results may vary from forecast and such variations may be material.
16. Unless otherwise stated, all monetary amounts contained herein are expressed in United States dollars to be consistent with the Applicants’ primary reporting currency.

SHAREHOLDER SETTLEMENT AGREEMENT

17. The Shareholder Representatives’ Counsel submitted the Shareholders’ Claim on April 19, 2023. The Shareholders’ Claim is comprised of four separate claims, including:
 - a. a Securities Act claim against Trevali Corp. pursuant to ss. 131, 140.3 and 140.5 of the Securities Act, R.S.B.C. 1996, c. 418, alleging an unsecured claim of C\$56 million;

- b. an oppression claim against Trevali Corp. pursuant to s. 227 of the Business Corporations Act, R.S.B.C. 2002, c. 57, alleging an unsecured claim of C\$56 million;
 - c. a Securities Act claim against the directors and officers of Trevali Corp. (the **“Directors and Officers”**) pursuant to ss. 131, 140.3 and 140.5 of the Securities Act, R.S.B.C. 1996, c. 418, alleging a claim of C\$11,362,673.00, being an insured equity claim; and
 - d. an oppression claim against the Directors and Officers of Trevali Corp. pursuant to s. 227 of the Business Corporations Act, R.S.B.C. 2002, c. 57, alleging a claim of C\$56 million, being an insured equity claim.
18. The Shareholders’ Claim is an insured, equity claim and relates to allegations that the directors and officers failed to exercise care and oversight over mission-critical, risk management and compliance affairs of Trevali Corp. As there will not be sufficient recoveries in these CCAA Proceedings to pay equity claims, the Monitor, pursuant to the CPO, referred the Shareholders’ Claim to this Honourable Court for resolution outside of the Claims Process.
19. On April 26, 2025, this Honourable Court ordered that the Shareholders’ Claim be adjudicated through an alternative procedure, as follows:
- a. the parties to the Shareholders’ Claim will participate in mediation; and
 - b. if the mediation is not successful, any interested party to the Shareholders’ Claim may apply to this Honourable Court for directions with respect to the adjudication of the Shareholders’ Claim.
20. As a result of the mediation, on March 11, 2025, the Shareholder Settlement Agreement was reached and on March 17, 2025, this Honourable Court granted the Class Action Certification Order.

21. Pursuant to the Class Action Certification Order, the Monitor posted a copy of the order on its website on March 18, 2025 and provided a link to the Shareholder Representatives' Counsel website to assist with providing notice to affected shareholders of their option to opt-out of the class action proceedings and/or object to the proposed fees and honorariums by May 20, 2025 (the "**Opt-out Notice Period**").
22. Following the Opt-out Notice Period, the Shareholder Representatives' Counsel confirmed that they had not received any opt-outs or objections by the affected shareholders. The proposed Shareholder Settlement Agreement Order provides for final approval of the Shareholder Settlement Agreement following the Opt-out Notice Period.
23. The key terms of the Shareholder Settlement Agreement are as follows:
- a. the settlement amount is \$2.8 million (the "**Settlement Amount**") which will be paid by the Defendants' insurers;
 - b. the settlement funds will be distributed as follows:
 - i. to the Shareholder Representative Counsel on account of class counsel fees, inclusive of all disbursements and applicable taxes, of \$840,000;
 - ii. to Shareholder Representative Counsel, in trust, for the benefit of the Shareholder Representatives, in respect of honorariums of \$2,500 per person (total of \$10,000); and
 - iii. the remaining funds will be distributed in accordance with a distribution protocol as determined by the parties;
 - c. within 30 days of the approval of the Shareholder Settlement Agreement Order by this Honourable Court (the "**Effective Date**"), the Shareholder Representatives will withdraw their claims in the CCAA Proceeding;

- d. within 30 days of the Effective Date, the former directors and officers will withdraw their claims for indemnification in the CCAA Proceeding in excess of the retention premium under Trevali Corp.'s insurance policy; and
- e. the Shareholder Settlement Agreement provides releases in respect of any claims against the Defendants and does not in any way constitute an admission of liability by the Defendants.

CONCLUSION

24. The Monitor is supportive of the approval of the Shareholder Settlement Agreement for the following reasons:

- a. it brings resolution to the Shareholders' Claim;
- b. there is no cost to the estate as proceeds will be paid by the Defendants' insurer;
- c. both parties were represented by experienced counsel who negotiated the agreement;
- d. no affected shareholders chose to opt-out or object to the proposed settlement; and
- e. the Monitor has no basis to be concerned about the fees and honorariums sought as part of the Shareholder Settlement Agreement.

All of which is respectfully submitted this June 2, 2025.

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

A handwritten signature in black ink, appearing to read 'Tom Powell', with a stylized, flowing script.

Tom Powell
Senior Managing Director

A handwritten signature in black ink, appearing to read 'Mike Clark', with a stylized, flowing script.

Mike Clark
Managing Director