

COURT FILE NO.

Clerk's Stamp

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE EDMONTON

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

AND IN THE MATTER OF **KMC MINING CORPORATION**

DOCUMENT **AFFIDAVIT**

ADDRESS FOR  
SERVICE AND  
CONTACT  
INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

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**AFFIDAVIT OF BRYN JONES  
SWORN ON THE 31<sup>st</sup> DAY OF DECEMBER, 2024**

I, Bryn Jones, of the City of Edmonton, in the Province of Alberta, SWEAR AND SAY THAT:

1. I am the Chief Financial Officer of KMC Mining Corporation ("**KMC**" or the "**Applicant**"), and as such, have personal knowledge of the matters hereinafter deposed to save where:
  - a) stated to be based upon information and belief and where so stated I do believe the information to be true; or
  - b) I have informed myself from books or records maintained by KMC, and where I have done so, these books or records were part of KMC's ordinary books or records and any entries in these books or records were made in the usual and ordinary course of KMC's business.
2. I am authorized to make this Affidavit on behalf of KMC.

3. Unless otherwise stated, all monetary references in this affidavit are references to Canadian dollars.

#### A. RELIEF SOUGHT and INTRODUCTION

4. I swear this Affidavit in support of an application by KMC for an Order (the “**Initial Order**”) in respect of KMC pursuant to the *Companies’ Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the “**CCAA**”), granting, among other things, the following relief:
  - a) an Order abridging time for service and deeming service of the Application for the Initial Order to be good and sufficient;
  - b) declaring KMC to be a company to which the CCAA applies;
  - c) an Order directing that the proceedings commenced by KMC through the filing of a Notice of Intention to make a Proposal (the “**NOI**”) pursuant to section 50.4(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (“**BIA**”) (the “**NOI Proceedings**”) be taken up and continued under the CCAA and that thereafter the NOI Proceedings be terminated;
  - d) authorizing KMC to carry on business in a manner consistent with the preservation of the business carried on by KMC (“**Business**”) and its undertaking, property and assets (“**Property**”);
  - e) appointing FTI Consulting Canada Inc. (“**FTI**”), the Proposal Trustee, as Monitor of KMC in these CCAA proceedings (and in such capacity shall herein be referred to as the “**Monitor**”) with the rights and duties set out in the CCAA and the Initial Order;
  - f) staying, for an initial period of not more than 10 days all proceedings, rights and remedies against or in respect of KMC including their respective Business and Property, or the Monitor, except as otherwise set for the in the Initial Order;
  - g) authorizing KMC to pay the reasonable fees and disbursements of the Monitor and its legal counsel and KMC’s legal counsel;
  - h) continuing and further authorizing and granting the Administration Charge and Interim Lender’s Charge and other court ordered charges (as defined below);

- i) declaring that KMC and its collective former employees meet the criteria set out in section 5(5) of the *Wage Earner Protection Program Act* (Canada), SC 2005, c 47, s 1 ("**WEPPA**") and section 3.2 of the *Wage Earner Protection Program Regulations*, SOR/2008-222;
  - j) authorizing and approving a sales and investment solicitation process (the "**SISP**") of KMC's Property and Business; and
  - k) directing and authorizing KMC to schedule a comeback hearing on or before January 20, 2025.
5. As a result of the circumstances described below, on December 5, 2024, KMC filed the NOI to provide it with stability, cash flow relief, a stay of proceedings and the opportunity to develop and implement plans to restructure its business operations, to enhance and maintain the value of its assets and maximize recovery for its stakeholders. Attached and marked as **Exhibit "A"** is a copy of the confirmation of the NOI filing.
6. On December 9, 2024 (the "**First Order**"), KMC sought and obtained an order from the Court in the NOI Proceedings:
- a) extending the time in which it had to make its proposal to creditors to February 18, 2025;
  - b) granting an Administration Charge not to exceed in the aggregate the sum of \$500,000; and
  - c) authorizing KMC to borrow up to \$6,000,000 to finance working capital requirements and other general corporate purposes and capital expenditures and authorizing and granting a charge in favour of the Interim Lender ("**Interim Lender's Charge**") to secure the obligations owing to the Interim Lender.
7. The priority granted to each of the charges was limited to the assets secured to the first and second secured lenders as further outlined below.
8. A copy of the First Order is attached and marked as **Exhibit "B"**.

9. On December 20, 2024, KMC obtained an Order from the Court authorizing it to proceed with a sale of certain pieces of equipment to Gibraltar Mining Corporation ("**Gibraltar SAVO**"). A copy of the Gibraltar SAVO is attached and marked as **Exhibit "C"**.

## **B. BACKGROUND**

### **The Company**

10. KMC is a corporation duly amalgamated pursuant to the laws of the Province of Alberta carrying on business as a large mining development company. KMC's primary operations include mine development, contract mining and land reclamation. Attached and marked as **Exhibit "D"** is a true copy of an Alberta corporate registry search of KMC.
11. KMC was founded in 1949 by the Klemke family in Southern Saskatchewan as a constructor of roadworks. In the ensuing 75 years, KMC has expanded its operations to include railroads, dams, earthworks and mining operations in Alberta, British Columbia, Saskatchewan, Yukon and the Northwest Territories. Since 1973, KMC has derived the majority of its business from large-scale oil sands projects but has also engaged in the extraction of other valuable materials. KMC has been a major part of the development of industry in the oil sands since that time. Attached and marked as **Exhibit "E"** is a true copy of an excerpt from KMC's website explaining its history.
12. KMC has undertaken extensive, multi-year projects across Alberta in cooperation with large energy suppliers such as Suncor Energy Inc. ("**Suncor**"), Syncrude Canada, Imperial Oil Ltd. and Canadian Natural Resources Ltd. Through its innovations and contributed inventions, KMC has created billions of dollars in value in Alberta's energy and mining sectors and has created many thousands of jobs at various times. In its decades-long history as a contractor in Alberta's oil sands industry, KMC has been a pioneer in the introduction and development of ultra-class equipment which is now prevalent in the industry, including the practices of wet sizing (bitumen processing) and hydro-transport (a more efficient method of moving oilsands ore from an extraction site to preparation plant), which are now industry standard.

### **Employees and Contractors**

13. As of November 25, 2024, KMC employed 61 full-time employees, of which 17 are located at its head office in Edmonton, Alberta, and 42 are field employees working in Fort McMurray or a field office location maintained there. Additionally, KMC employs 6 full-time contractors and

- 2 maintenance shop employees who are based either at Fort McMurray or at the Edmonton location.
14. KMC employs a mixture of unionized and non-unionized employees.
  15. The unionized employees are represented by the International Union of Operating Engineers (“**IUOE**”) Local 955. KMC has a collective agreement in place with the unionized employees until April 30, 2025 (“**CBA**”). This CBA governs work performed in the Oilsands, including mine development, operations, maintenance and reclamation. There are presently 30 unionized employees who are actively working for KMC.
  16. For KMC’s unionized employees, KMC fully funds pension and health and wellness contributions. KMC pays into multi-employer pension and health and wellness funds. The IUOE Local 955, as the plan sponsor, manages the contributions from KMC and other IUOE Local 955 affiliated companies. The IUOE selects insurance and benefits companies to administer and adjudicate these benefits. The IUOE are responsible for providing statements and actuarial analysis, along with reporting to the Superintendent of Pensions. These are fixed contribution plans.
  17. For hourly and salary staff personnel, KMC sponsors a pension program that is administered by Canada Life. This is a group Registered Retirement Savings Plan (RRSP) and is jointly contributed between KMC and each individual staff employee. The basic arrangement is KMC contributes 5% of base earnings into the pension while the staff employee contributes 2% of base earnings into the plan resulting in a total of 7% RRSP contributions. It is not a defined benefit pension plan.
  18. For the hourly and salary staff personnel, KMC also pays for their health and wellness benefits. The benefits are provided by Alberta Blue Cross and include benefits such as dental, prescription drugs, and insurances like life insurance.
  19. KMC is current with respect to the remittance of employee source deductions for its head office and field staff. Certain contractors have gone unpaid for a period of approximately [1] month[s].

### **Daily Banking**

20. All accounting and cash management functions are administered at KMC’s head office.
21. KMC maintains three bank accounts at ATB Financial (“**ATB**”).

22. KMC also maintained accounts at Canadian Western Bank but those were closed a few weeks ago so that all banking going forward will be maintained at ATB.
23. The Syndicate effected a sweep just prior to the NOI filing. KMC has managed to continue operations on a cash-in cash-out basis.
24. On December 24, KMC requested its first draw on the Interim Lending Facility.

### C. ASSETS AND LIABILITIES

#### Assets

25. Attached and marked as **Exhibit "F"** are copies of audited financial statements prepared for the year ending December 31, 2023.
26. Attached and marked as **Exhibit "G"** are copies of KMC's internal financial statements as at and for the 9 months ending September 30, 2024.
27. As indicated in the latest financial statements, the netbook value attributed to KMC's Property and equipment alone is noted at \$264,096,000 as of September 30, 2024. A more detailed outline of estimated values of assets is set forth in the Confidential Supplementary Affidavit sworn concurrently with this Affidavit.
28. KMC also has available equity in certain assets which are subject to leases held by Equipment Lenders (as defined below).
29. KMC does lease facilities for its operations including:
  - a) a lease of premises in Edmonton, Alberta; and
  - b) a maintenance facility located on the Syncrude site.
30. The bulk of KMC's assets are specialized, ultra-class mining equipment, such as the Komatsu 930E, a haul truck which is over 24 feet tall and 30 feet wide and weighs more than 1 million pounds when loaded, or the Komatsu PC8000 hydraulic excavator, which is one of the largest hydraulic excavators in the world and weighs 1.6 million pounds when loaded. KMC's assets are niche products that require enhanced processes for their marketing and post-sale movement. Attached and marked as **Exhibit "H"** is a set of Komatsu marketing materials describing the Komatsu PC8000 and 930E assets.

31. Given the size of these assets, the cost of moving them to other locations can be quite substantial. As an example, the cost to move one of the large shovels is approximately \$1,000,000.

### Liabilities

32. KMC's primary secured creditors are a syndicate of lenders led by ATB Financial, who extended several credit facilities to KMC pursuant to a credit agreement dated August 13, 2024 (the "**Syndicate Credit Agreement**"). The members of the syndicate include the following entities:
- a) ATB;
  - b) Canadian Western Bank ("**CWB**");
  - c) Export Development Canada ("**EDC**"); and
  - d) Laurentian Bank of Canada ("**Laurentian**");
- (collectively, the "**Syndicate**").
33. The credit facilities include term facilities and revolving facilities for both permitted capital expenditures and operating facilities for working capital requirements and general corporate purposes.
34. Pursuant to the Syndicate Credit Agreement all associated indebtedness is secured by a General Security Agreement which grants the Syndicate a first ranking security interest in all present and after-acquired personal property held by KMC.
35. As of October 31, 2024, KMC's indebtedness to the Syndicate, was approximately \$104,316,256 as follows:
- a) Operating Line: \$19,800,000;
  - b) CapEx Line: \$4,754,015;
  - c) Term Debt: \$79,762,241;
  - d) Total Syndicate Debt: \$104,316,256.

36. KMC has repaid \$690,220.50 via a cash sweep which occurred just prior to the NOI filing, \$2,870.18 USD also via the sweep and \$2,057,000.00 from a sweep of insurance proceeds by the Syndicate after the NOI filing. KMC has no record of where it was applied by the Syndicate. Net debt should be down by approximately \$2,750,000 exclusive of accruing interest and costs.
37. Attached and marked as **Exhibit "I"** is a copy of the Syndicate Credit Agreement.
38. KMC's other senior secured creditor is the Klemke Foundation, a private charitable foundation to which KMC is indebted in the amount of \$49,290,859.45 pursuant to an Amended and Restated Promissory Note dated August 13, 2024. Interest is currently not accruing on this debt but will begin accruing upon certain events occurring as set out in a Debt Repayment Agreement dated August 13, 2024, including where KMC fails to make a scheduled repayment.
39. The Klemke Foundation holds a General Security Agreement granting it a security interest in all present and after-acquired personal property of KMC, subordinated only to the Syndicate's security.
40. KMC is the lessee pursuant to several equipment leases with equipment lessors (collectively "**Equipment Lenders**"). The Equipment Lenders consist of those providing leases for heavy equipment and those providing leases for light-duty vehicles. The total combined outstanding amounts owing to Equipment Lenders as at October 31, 2024 is as follows:
  - a) Heavy Equipment Lessors: \$52,649,938; and
  - b) Light Duty Lessors: \$2,973,244.
41. A true copy of a Personal Property Registry search in the name of KMC is attached and marked as **Exhibit "J"**.
42. KMC's outstanding unsecured trade payables and accrued liabilities as of October 31, 2024 were \$22,218,366.57.
43. KMC is current in its remittances to Canada Revenue Agency and has no outstanding corporate taxes payable.
44. KMC's total outstanding liabilities exceed \$220,000,000.



#### D. OVERVIEW OF FINANCIAL DIFFICULTIES

45. KMC's present circumstances arose due to several factors. Chief among these is the sudden and unexpected cancellation of substantial scopes of work under contracts between KMC and Suncor.
46. There has been significant consolidation in the oilsands industry over the last few years. Through that consolidation, Suncor has become the largest operator in the Fort McMurray region. As a result, Suncor has become KMC's most significant, if not only, customer.
47. KMC has been providing contracting mining services to Suncor for several decades.
48. Suncor's contracting practice generally, and with KMC specifically, utilizes a master Multiple Use Agreement ("**MUA**") which sets out general terms and conditions, and allows for the entering of multiple sub-agreements, contracts or purchase orders under the umbrella of the MUA for any number of different projects or scopes of work.
49. In 2019, KMC was awarded two years of overburden scope work at Suncor's Millenium Base Mine, terminating at the end of 2021. To meet the performance requirements imposed by Suncor under that contract and based on the volume of work projected by Suncor, KMC spent approximately \$43,000,000 refreshing its heavy equipment. Five months into that contract, Suncor, without cause, abruptly stopped nominating work to KMC and ordered it to demobilize from the Millenium Base Mine on very short notice "**Millenium Notice**").
50. At that time KMC was left with approximately \$29,000,000 in trade payables and without the substantial revenue under the contract with Suncor. KMC spent the next two years selling equipment and negotiating small contracts, including with Suncor, for services to survive.
51. Any limitation periods regarding claims which KMC had against Suncor arising from the Millenium Notice were tolled by agreement with Suncor.
52. In April of 2023, KMC and Suncor negotiated a new, large-scale three-year MUA, which contemplated work under various scopes.
53. In February of 2024, and pursuant to the MUA, after lengthy discussions between the parties, Suncor issued a purchase order under the MUA to KMC for the removal of substantial volumes of overburden on the Fort Hills Project site (the "**Fort Hills PO**").

54. The Fort Hills PO was awarded to KMC in part as consideration pursuant to a settlement agreement between KMC and Suncor in which KMC released Suncor from claims relating to the Millennium Notice.
55. The scope of the work originally contemplated under the Fort Hills PO required KMC to spend an additional approximately \$83,000,000 for new asset additions and approximately \$10,000,000 in additional maintenance expenditures on the existing assets.
56. KMC entered into the Syndicate Credit Agreement in August 2024, in part on the strength of, and also to assist it in fulfilling, the Fort Hills PO. Suncor was aware of the various financial commitments KMC had made to meet the performance requirements and volume guidance provided by Suncor.
57. Suncor pledged high volumes of work to KMC under the Fort Hills PO. Work was started on an hourly compensation basis (as opposed to a unit rate basis) due to mining conditions, KMC's fleet not being balanced and efficient as KMC mobilized, and because Suncor's mine plan was still evolving. This caused Suncor to assign much longer haul distances than earlier guidance had indicated. KMC responded to the changes by committing to additional new equipment leases and renting significant equipment from third parties. KMC was determined to do everything in its power to respond to Suncor's guidance and volume requirements, acting in good faith that the Fort Hills PO would compensate KMC for the additional costs incurred.
58. In March 2024, Suncor directed KMC to move from hourly compensation to unit rate compensation (regardless of contract triggers flowing from mining conditions) or to "put shovels down". Through the summer of 2024, KMC proposed alternate lump sum or unit rate top-up solutions to address some of the adverse mining conditions that arose.
59. In September 2024, during negotiations of the appropriate application of the contract, Suncor provided KMC with a notice of termination for convenience of the overburden work represented by the Fort Hills PO, being most of the scope of work under the MUA. The notice of termination required KMC to cease work on the significant scope of work effective October 31, 2024. A copy of that notice is attached and marked as **Exhibit "K"**. That scope is now terminated.
60. The MUA remains in place, and there is a small amount of bare truck rental work still ongoing at the Fort Hills site, which generates up to \$2,000,000 of revenue per month. Other existing purchase orders for certain smaller work remain in place.

61. Since the NOI Proceedings commenced, KMC has entered additional purchase orders with Suncor for bare rentals of haul trucks. The increase in monthly revenue is estimated to be \$1,200,000 for the next 3 months.
62. The sudden termination of the Fort Hills PO has left KMC with large amounts of payables along with a fleet fully committed to meeting Suncor's requirements which is now without work, resulting in insufficient revenues for KMC's business to be sustained at previous levels. The timing of this termination limited the ability of KMC to pursue any other winter work as most of it had already been committed to other contractors.
63. In addition to the termination for convenience of the Fort Hills PO, Suncor had also earlier awarded KMC a large three-year scope of work for the handling of plant rejects and oversized materials at Suncor's Base Plant. In April, Suncor also cancelled this contract, stating it had no concerns with KMC's workmanship but that it would undertake the work itself. Despite this statement, Suncor put another contractor in place to perform the work, without any consideration to KMC for its commitment made to Suncor. KMC had committed to significant new capital assets to perform this work.
64. KMC is evaluating its options regarding potential claims against Suncor. In the interim, however, it needs to ensure that what contract work it has with Suncor remains in place.
65. The cancellation of the Fort Hills PO has had catastrophic impacts on KMC's cash flows, its ability to service its debt and lease obligations and its ability to pay its trade creditors.
66. KMC has now received Notices of Default from the Syndicate. Attached and marked as **Exhibit "L"** are true copies of the Notices of Default. KMC does not have sufficient working capital to continue to pay its debts while maintaining adequate cash flows to continue operations over an extended period.

### **Immediate Restructuring Efforts**

67. KMC has been diligently pursuing methods of addressing its circumstances. It has been actively identifying opportunities for the sale of its fleet of equipment and has been actively searching for business opportunities that will allow it to discharge its obligations to its creditors, however given the specialized nature of the KMC equipment and its business, this process takes time and requires significant liquidity.

68. As an example, moving one large mining shovel can cost approximately \$1,000,000 and requires that the unit be disassembled and trucked through multiple heavy loads.
69. Temporary layoffs of staff commenced on or about October 16, 2024, and were accelerated throughout the month of November. Employee layoffs occurred at all levels and locations of the business.
70. In total, 350 employees have been laid off inclusive of employees at the corporate level and field staff. Staff layoffs have resulted in savings of approximately \$450,000, however layoffs for non-unionized staff come with associated termination pay. These are financial consequences arising from union staff layoffs.

#### **E. BIA PROCEEDINGS AND RELIEF SOUGHT**

71. KMC is in default of its obligations to the Syndicate and is unable to make payment of financial obligations as they come due. It is insolvent.
72. As a result of the defaults with the Syndicate and its present circumstance, cash flow and the credit available to KMC from the Syndicate to fund ongoing operations is significantly reduced. Payments to creditors and lessors have been significantly curtailed save for certain payments needed to ensure continued operations.
73. KMC, in discussions with the Syndicate and with their concurrence, took the step of filing the NOI to maintain asset value, provide stability for its business, and afford it an opportunity to develop a plan which included:
  - a) seeking certain Court ordered Charges, including an Administration Charge and an Interim Lenders Charge, to ensure the stability of continued operations;
  - b) monetizing assets in an effort to retire the secured debt owed by KMC to the Syndicate and address the other obligations owing to the Klemke Foundation and the Equipment Lenders;
  - c) capturing any equity in KMC's assets in excess of obligations owed to it in order to possibly fund a plan of arrangement to pay distributions to its unsecured creditors, if possible; and
  - d) addressing any possible recourse against Suncor arising from the various terminations.

74. The filing of the NOI was considered a temporary measure given Court availability prior to the Christmas break. The NOI Proceedings are not likely to be concluded within a 6-month timeframe.

### **Cash Flow Forecast**

75. KMC's cash flow forecast for the period expiring June 30, 2025 ("**Cash Flow Forecast**") is appended to the Monitor's Report. KMC's principal use of cash during these proceedings will consist of ongoing operating expenses, including employee compensation, trade creditors, general administrative expenses, and payment of the professional advisors engaged to assist with its restructuring efforts.
76. The Cash Flow Forecast originally projected the receipt of the approximate sum of \$2 Million in early February from an insurance payout. The payout was received during the week of December 16<sup>th</sup>. The Syndicate claimed entitlement to the proceeds as first loss payee, so the funds were not taken into cash by KMC but were rather swept immediately by the Syndicate.

### **Payments During the Proceedings**

77. KMC made payments for goods and services supplied to KMC post-filing and certain other post-filing expenses and obligations relating to the business as set out in its Cash Flow Forecast and as permitted by the BIA.
78. KMC intends to continue to make payment of its post-filing expenses and obligations relating to the business as set out in its Cash Flow Forecast and as authorized by the court and the CCAA. This includes paying equipment lessors under the terms of their agreements but only for those pieces of equipment which KMC continues to utilize in its operations.

### **Administration Charge**

79. As part of its relief, KMC is seeking confirmation and continuance of the court-ordered charge granted by the First Order over its Property in favour of, FTI Consulting Canada Inc. (the "**Monitor**"), counsel to the Monitor, and counsel and advisors to KMC (the "**Administration Charge**"). The proposed Administration Charge is an aggregate amount of \$500,000. All beneficiaries of the Administration Charge have contributed, and will continue to contribute, to KMC's restructuring efforts and are necessary for its anticipated success.

### Interim Financing

80. As indicated in the Cash Flow Forecast, KMC is forecasting a cash shortfall of approximately \$4,000,000 over the projection period. The bulk of that anticipated shortfall is forecasted to occur in January and February, during which time period KMC estimates that payment from Suncor may be delayed.
81. To alleviate the cash constraints, KMC arranged for interim lending with the certain members of the Syndicate in the form of a non-revolving credit facility to a maximum of \$6,000,000. The Interim Lending was approved in the First Order and was intended to provide a cushion over the anticipated shortfall in respect of unexpected contingencies.
82. Given the sweep of insurance proceeds as noted above, changes to the Terms and Conditions were necessary to avoid a potential default arising out of the anticipated cash flow shortfall in excess of the threshold of \$500,000. The changes have been agreed to. Attached and marked **Exhibit "M"** is a copy of the Amended and Restated Terms.
83. KMC proposes that the Interim Lender Charge granted by the First Order be affirmed and continued.

### Directors' and Officers' Charge

84. Daniel Klemke is the sole director of KMC. The officers of KMC and Mr. Klemke (the "**Director and Officers**") have been actively involved in KMC's efforts to address its challenging circumstances, including through overseeing KMC's liquidity management efforts, KMC's review and exploration of strategic options and alternatives in connection with its financial challenges, communications with key creditors, and the preparation for and commencement of these CCAA proceedings. The Director and Officers have been mindful of their duties with respect to their supervision and guidance of KMC in advance of these CCAA proceedings.
85. It is my understanding, based on advice from KMC's legal counsel, that in certain circumstances directors and officers may be held personally liable for certain Company

obligations, including in connection with unpaid salaries and wages, unremitted source deductions and sales taxes, and certain environmental obligations.

86. KMC maintains a primary directors and officers insurance policy which provides the Directors and Officers with \$10,000,000 in coverage (the "**D&O Insurance Policy**"), which expires on August 28, 2025.
87. The premiums are paid in full.
88. The limits on the Policy are a maximum aggregate of \$10,000,000.
89. KMC is requesting a Directors and Officers Charge be put into place to cover the possible claims in respect of matters not covered by the policy in the amount of \$500,000.

#### **Key Employee Retention Plan**

90. KMC has a number of key employees who have specialized knowledge of the industry and the business operations of KMC. The loss of these employees, even though KMC is commencing a liquidation process as part of its debt reduction strategy, would be detrimental to the business of KMC and detrimental to the stakeholders.
91. KMC is therefore proposing a key employee retention plan ("**KERP**") and is the process of finalizing it. KMC intends to seek approval of the KERP, with an ancillary court ordered charge, at the comeback hearing scheduled for January 20, 2025.

#### **WEPPA Declaration**

92. As noted above, I am informed by counsel for KMC that KMC is a former employer of the employees who have been terminated as noted in paragraph 70 above. As such, as a result of the NOI filing, KMC now meets the WEPPA requirements subject to this Court making a declaration of its application.
93. Of the 350 employees who have been terminated, 283 were unionized and severance is not payable. However, 67 employees were non-union and severance is applicable but has not been paid. The severance obligations are approximately \$660,000 which are unsecured.
94. I am informed by KMC's legal counsel and do verily believe that the WEPPA declaration will assist the employees by providing access to payment programs under WEPPA allowing

possible payment to those terminated employees in circumstances where they may otherwise not be able to receive payment unless a plan of arrangement is made and approved several months from now.

### **Priorities of Charges**

95. At the time of the First Order there was insufficient opportunity to serve creditors other than the Syndicate or the Klemke Foundation. As such, the charges were limited to the assets secured to each of the syndicate and The Klemke Foundation.
96. Service on all affected creditors is being undertaken in respect of this application. KMC seeks an order granting priority to all charges over the entirety of the Property of KMC.
97. The relative priority of the proposed charges over the Property of KMC is proposed as follows, all of which are to take priority over the Property:
- a) Administration Charge – the amount of \$500,000;
  - b) Interim Lender’s Charge – the amount of \$6,000,000; and
  - c) Director’s Charge – in the amount of \$500,000.
- (together the “**Charges**”).
98. The proposed Order also authorizes KMC to seek a further Order granting priority of the Charges to any encumbrance over which the Charges have not obtained priority pursuant to this Order, on a subsequent motion on notice to those persons likely to be affected by such an Order either in these proceedings or proceedings under the CCAA.
99. KMC believes that the proposed amounts and priorities of the Charges are fair and reasonable in the circumstances.

### **Sales out of the Ordinary Course**

100. KMC has been actively pursuing opportunities to dispose of surplus and redundant assets. While the largest value assets consist of heavy equipment, there is a large inventory of surplus assets and equipment which are readily saleable to interested buyers. These assets include generators, light towers and other ancillary equipment inventory which can be sold to generate cash to assist in funding ongoing operations.



101. Attending court to obtain approval of the sale of these types of assets will be time-consuming, impractical and expensive.
102. In discussion with representatives of the Monitor and the Syndicate, it was agreed KMC would seek authorization to proceed with such sales with the approval of the Proposal Trustee provided such sales do not exceed, in the aggregate, the amount of \$1,000,000. The Court granted this relief in the First Order.
103. As a result of ongoing conversations with the Monitor and the Syndicate, it has been decided that the aggregates sum for sales of ancillary assets should be increased to \$6 Million. Increasing the amount affords flexibility and will keep professional fees at a reasonable level. The Monitor will be required to approve any such sales. KMC seeks approval for the increase.
104. The approach is reasonable and practical and should not result in prejudice to any creditors.

#### **Sales and investment Solicitation Process.**

105. KMC has been working diligently with the assistance of Ernst & Young Orenda Corporate Finance Inc. (the "**Sales Agent**") for several months to develop the SISP and marketing plan to liquidate KMC's equipment fleet to reduce its over-all debt load.
106. The Sales Agent is very familiar with KMC's operations and its equipment fleet and is ideally suited to assist KMC in its sales efforts.
107. Since the commencement of the NOI Proceedings, KMC has also consulted with FTI, the Syndicate and The Klemke Foundation regarding an orderly sales process. Each have indicated their approval with KMC continuing to utilize the services of the Sales Agent to assist in the administration of the SISP.
108. Attached and marked as **Exhibit "N"** is a copy of the Sales Agent's Engagement Letter with the hourly rate redacted at their request.
109. Attached and marked as **Exhibit "O"** is a copy of the proposed SISP procedures.

#### **Sealing**

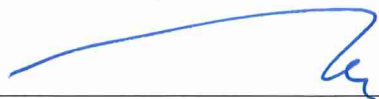
110. The Confidential Supplementary Affidavit sworn concurrently with this Affidavit contains detailed valuation information regarding KMC's equipment and assets along with an unredacted copy of the EY Engagement Letter.

- 111. Maintaining confidentiality of the values expressed in the information contained in the Confidential Supplementary Affidavit is imperative to ensure that the SISP which KMC is developing in conjunction with EY is conducted in a fair manner in circumstances where the market can be properly attested.
- 112. The information is sensitive and if fully disclosed on the public record could adversely affect the anticipated sales process and is otherwise information which is confidential to the business of KMC.
- 113. For that reason, KMC requests that the Confidential Supplementary Affidavit be sealed on the Court file and not revealed without either the consent of KMC or further Order of the Court.
- 114. Through inadvertence, the MUA with Suncor was appended to the Affidavit of Daniel Klemke sworn on December 6, 2024 in the NOI Proceedings, as Exhibit "I". It contains confidential information regarding pricing which ought not to have been disclosed for competitive reasons. KMC requests that the Exhibit from that affidavit also be sealed.

**F. CONCLUSION**

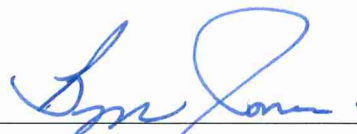
- 115. KMC has acted in good faith and with due diligence in both proceeding with the NOI Proceedings, and now proceeding with this application for a CCAA Initial Order to best address its circumstances.
- 116. I do verily believe that given protection from enforcement of any loans or security and any lawsuits from creditors, the core business and affairs of KMC can be restructured or liquidated in an orderly manner in these CCAA proceedings, and that the same is in the best interests of KMC's stakeholders.
- 117. I make this Affidavit in support of the relief set out in the Originating Application, including for the Initial CCAA Order.

SWORN BEFORE ME at Edmonton,  
Alberta, this 31<sup>st</sup> day of December, 2024



A Commissioner for Oaths in and for the  
Province of Alberta

**Roscoe Gee**  
Student-At-Law



BRYN JONES

This is **Exhibit "A"** referred to in the Affidavit  
of BRYN JONES sworn before me  
on the **31<sup>ST</sup>** day of December, 2024.



---

A Commissioner for Oaths in and for  
the Province of Alberta

**Roscoe Gee**  
**Student-At-Law**



Industry Canada  
Office of the Superintendent  
of Bankruptcy Canada

Industrie Canada  
Bureau du surintendant  
des faillites Canada

District of Alberta  
Division No. 01 - Edmonton  
Court No. 24-3162620  
Estate No. 24-3162620

In the Matter of the Notice of Intention to make a proposal of:

**KMC Mining Corporation**

Insolvent Person

**FTI CONSULTING CANADA INC.**

Licensed Insolvency Trustee

---

Date of the Notice of Intention:

December 05, 2024

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CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL  
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: December 05, 2024, 17:31

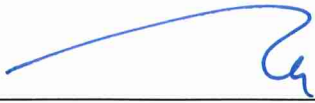
E-File/Dépôt Electronique

Official Receiver

Canada Place Building, 9700 Jasper Avenue NW, Suite 725, Edmonton, Alberta, Canada, T5J4C3, (877)376-9902

**Canada**

This is **Exhibit "B"** referred to in the Affidavit of BRYN JONES sworn before me on the **31<sup>st</sup>** day of December, 2024.



---

A Commissioner for Oaths in and for  
the Province of Alberta

**Roscoe Gee**  
**Student-At-Law**

COURT FILE NO. 24-3162620  
COURT Court of King's Bench of Alberta  
JUDICIAL CENTRE Edmonton



JH ENT

IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, RSC  
1985, c B-3, AS AMENDED

AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A  
PROPOSAL OF **KMC MINING CORPORATION**

DOCUMENT **ORDER (First Stay Extension, Administration Charge, Interim  
Financing Charge and Other Relief)**

ADDRESS FOR  
SERVICE AND  
CONTACT  
INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

DARREN R. BIEGANEK, KC/  
ZACHARY SOPROVICH  
Barrister & Solicitor  
Phone: 780.441.4386  
Fax: 780.428.9683  
Email: [dbieganek@dcllp.com](mailto:dbieganek@dcllp.com)  
File # 204-219113

**DUNCAN CRAIG LLP**  
LAWYERS MEDIATORS  
2800 Rice Howard Place  
10060 Jasper Avenue  
Edmonton, Alberta Canada T5J 3V9

**DATE ON WHICH ORDER PRONOUNCED: DECEMBER 9, 2024**  
**NAME OF JUSTICE WHO MADE THIS ORDER: JUSTICE M.E. BURNS**  
**LOCATION OF HEARING: EDMONTON, ALBERTA**

**UPON** the Application of **KMC Mining Corporation (“KMC”)**; **AND UPON** having read the Affidavit of Daniel Klemke and the Affidavit of Service, filed, and noting service of this Application on KMC’s first secured lender, being a syndicate of lenders led by ATB Financial and including Canadian Western Bank, Export Development Canada and Laurentian Bank of Canada (collectively the “**Syndicate**”) and KMC’s second priority security lender, The Klemke Foundation; **AND UPON** reading the Report of FTI Consulting Canada Inc. in its capacity as proposal trustee of KMC (“**Proposal Trustee**”) dated December 2024; **AND UPON** being advised that the secured creditors who are likely to be affected by the charges created herein (the Syndicate and The Klemke Foundation) have been provided notice of this application and do not oppose the relief sought by KMC; **AND UPON** hearing

counsel for KMC, counsel for the Proposal Trustee, counsel for the Syndicate and counsel for The Klemke Foundation; **IT IS HEREBY ORDERED AND DECLARED THAT:**

### **SERVICE**

1. The time for service of the notice of application for this order (the “**Order**”) is hereby abridged and deemed good and sufficient and this application is properly returnable today.

### **EXTENSION OF TIME TO FILE A PROPOSAL**

2. The time within which KMC is required to file a proposal to its creditors with the Official Receiver, under section 50.4 of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the “**BIA**”) is extended to February 18, 2025 (as extended from time to time, the “**Stay Period**”).

### **ADMINISTRATION CHARGE**

3. The Proposal Trustee, counsel to the Proposal Trustee, and counsel to KMC shall be paid their reasonable fees and disbursements (including any pre-filing fees and disbursements related to these proceedings), in each case at their standard rates and charges, by KMC as part of the costs of these proceedings. KMC is hereby authorized and directed to pay the accounts of the Proposal Trustee, counsel for the Proposal Trustee and counsel for KMC on a monthly basis and, in addition, KMC is hereby authorized to pay to the Proposal Trustee, counsel to the Proposal Trustee, and counsel to KMC, if requested retainers in the respective amount[s] of up to \$50,000, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.
4. The Proposal Trustee and its legal counsel shall pass their accounts from time to time.
5. The Proposal Trustee, counsel to the Proposal Trustee, if any, and KMC's counsel, as security for the professional fees and disbursements incurred both before and after the granting of this Order, shall be entitled to the benefits of and are hereby granted a charge (the “**Administration Charge**”) on the Property, which charge shall not exceed an aggregate amount of **\$500,000 (Five Hundred Thousand Dollars)**, as security for their professional fees and disbursements incurred at the normal rates and charges of the Proposal Trustee and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 12 and 14 hereof.

### **INTERIM FINANCING**

6. KMC is hereby authorized and empowered to obtain and borrow under a credit facility from the Syndicate (the “**Interim Lender**”) to finance KMC's working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under such

credit facility shall not exceed **\$6,000,000 (Six Million Dollars)** unless permitted by further order of this Court.

7. The Interim Financing Facility shall be on the terms and subject to the conditions set forth in the Interim Financing Term Sheet ("**Term Sheet**") attached as Appendix "C" to the First Report of the Proposal Trustee dated December 6, 2024.
8. KMC is hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs, and security documents, guarantees and other definitive documents (collectively, the "**Definitive Documents**"), as are contemplated by the Commitment Letter or as may be reasonably required by the Interim Lender pursuant to the terms thereof, and KMC is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities, and obligations to the Interim Lender under and pursuant to the Commitment Letter and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.
9. The Interim Lender shall be entitled to the benefits of and is hereby granted a charge (the "**Interim Lender's Charge**") on the Property to secure all obligations under the Definitive Documents incurred on or after the date of this Order which charge shall not exceed the aggregate amount advanced on or after the date of this Order under the Definitive Documents. The Interim Lender's Charge shall not secure any obligation existing before this the date this Order is made. The Interim Lender's Charge shall have the priority set out in paragraphs 12 and 14 hereof.
10. Notwithstanding any other provision of this Order:
  - (a) the Interim Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the Interim Lender's Charge or any of the Definitive Documents;
  - (b) upon the occurrence of an event of default under the Definitive Documents or the Interim Lender's Charge, the Interim Lender, upon **ten (10) days** notice to KMC and the Proposal Trustee, may exercise any and all of its rights and remedies against KMC or the Property under or pursuant to the Commitment Letter, Definitive Documents, and the Interim Lender's Charge, including without limitation, to cease making advances to KMC and set off and/or consolidate any amounts owing by the Interim Lender to KMC against the obligations of KMC to the Interim Lender under the Commitment Letter, the Definitive Documents or the Interim Lender's Charge, to



make demand, accelerate payment, and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against KMC and for the appointment of a trustee in bankruptcy of KMC; and

- (c) the foregoing rights and remedies of the Interim Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of KMC or the Property.
11. The Interim Lender shall be treated as unaffected in any proposal filed by KMC under the BIA or any plan of arrangement or compromise filed by KMC under the *Companies' Creditors Arrangement Act*, RSC 1985, c. C-36 ("**CCAA**") with respect to any advances made under the Definitive Documents.

#### **PRIORITY OF CHARGES**

12. The Charges shall constitute a security interest and charge on the Property and shall rank in priority to all and claims of the Syndicate and The Klemke Foundation only. The Charges specifically do not attach to or otherwise apply to affect any other secured creditors, including equipment lessors, of KMC claiming security interests, trusts, liens, charges, deemed trusts, or encumbrances in the Property of KMC, provided however that KMC is at liberty to apply at a subsequent date, on notice to any potentially affected parties, whether under the BIA or such other statute or legislation as applicable, for an order declaring the Charges, or such further and other charges as may be requested by KMC, rank in priority to the claims of any other secured creditor of KMC, or in priority to any other person with a claim in the nature of a secured claim, as may be appropriate in the circumstances.
13. The filing, registration or perfection of the Administration Charge and the Interim Lender's Charge (collectively, the "**Charges**") shall not be required, and the Charges shall be enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.
14. The ranking as between the Charges shall be as follows:
- (a) First, the Administration Charge;
  - (b) Second, the Interim Lender's Charge.
15. Except as otherwise provided herein, or as may be approved by this Honourable Court, KMC shall not grant any encumbrances over the Property that rank in priority to, or *pari passu* with, any of the Charges, unless KMC obtains the prior written consent of the beneficiaries of the

Charges (the “**Chargees**”) or further order of this Court.

16. The Charges shall not be rendered invalid or unenforceable and the rights and remedies of the Chargees thereunder shall not otherwise be limited or impaired in any way by:
- (a) the pendency of these proceedings and the declarations of insolvency made in this Order;
  - (b) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications;
  - (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA;
  - (d) the provisions of any federal or provincial statutes; or
  - (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an “**Agreement**”) that binds KMC, and notwithstanding any provision to the contrary in any Agreement:
    - (i) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of any documents in respect thereof, shall create or be deemed to constitute a new breach by KMC of any Agreement to which they, or any one of them, is a party;
    - (ii) none of the Chargees shall have any liability to any person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges, or the execution, delivery or performance of the Interim Financing Facility; and
    - (iii) the payments made by KMC pursuant to this Order and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct or other challengeable or voidable transactions under any applicable law.

#### **SALE OF PROPERTY**

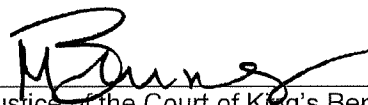
17. During the Stay Period, and if approved by the Proposal Trustee, KMC is authorized to sell and dispose of redundant or non-material assets not exceeding \$1,000,000 in the aggregate provided that any sale that is either (i) in excess of the above thresholds, or (ii) in favour of a person related to KMC (within the meaning of section 4(2) of the BIA), shall require authorization by this Court.

**ALLOCATION**

18. Any interested Person may apply to this Court on notice to any other party likely to be affected for an order to allocate the Administration Charge and the Interim Lender's Charge amongst the various assets comprising the Property.

**GENERAL**

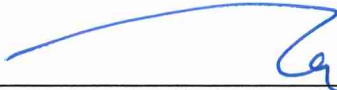
19. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.
20. Any interested party (including KMC and the Proposal Trustee) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.
21. This Order and all of its provisions are effective as of 12:01 a.m. Mountain Standard Time on the date of this Order.



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Justice of the Court of King's Bench of Alberta

This is **Exhibit "C"** referred to in the Affidavit of BRYN JONES sworn before me on the **31<sup>st</sup>** day of December, 2024.



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A Commissioner for Oaths in and for the Province of Alberta

**Roscoe Gee**  
**Student-At-Law**



COURT FILE NO. 24-3162620  
COURT COURT OF KING'S BENCH OF ALBERTA  
JUDICIAL CENTRE EDMONTON

IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, RSC  
1985, c B-3, AS AMENDED

AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A  
PROPOSAL OF **KMC MINING CORPORATION**

DOCUMENT **SALE APPROVAL AND VESTING ORDER (Gibraltar Mines Limited)**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	DARREN R. BIEGANEK, KC/ ZACHARY SOPROVICH Barrister & Solicitor Phone: 780.441.4386 Fax: 780.428.9683 Email: dbieganeke@dcllp.com	File # 204-219113 <b>DUNCAN CRAIG LLP</b> LAWYERS MEDIATORS 2800 Rice Howard Place 10060 Jasper Avenue Edmonton, Alberta T5J 3V9
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DATE ON WHICH ORDER PRONOUNCED: **DECEMBER 20, 2024**

JUDGE/ JUSTICE WHO MADE THIS ORDER:

J.T. Neilson

LOCATION OF HEARING:

**EDMONTON, ALBERTA**

**UPON THE APPLICATION** by **KMC MINING CORPORATION** (the "Vendor") for an order approving the proposed sale transaction (the "**Transaction**") contemplated by a letter of intent to purchase (the "**LOI**") between the Vendor and Gibraltar Mines Limited (the "**Purchaser**") dated **December 19, 2024**, a redacted version of which is appended to the Affidavit of **Daniel Klemke** dated **December 19, 2024** (the "**Second Affidavit**"), and vesting in the Purchaser the Vendor's right, title and interest in and to the assets described in the LOI and repeated herein in **Schedule "A"** (the "**Purchased Assets**"), subject to the terms and conditions of this Order;

**AND UPON HAVING READ** the pleadings and proceedings herein, the Second Affidavit, and the Second Report of FTI Consulting Canada Inc. in its capacity as Proposal Trustee (the "**Proposal Trustee**"); **AND UPON HEARING** the submissions of counsel for the Vendor; **AND UPON** noting the consent to this Order of counsel for KMC, counsel for the Syndicate (as defined in the Second Affidavit), counsel for the Klemke Foundation and counsel for the Proposal Trustee;

**IT IS HEREBY ORDERED AND DECLARED THAT:**

**SERVICE**

1. Service of notice of this application and supporting materials is hereby waived.

**APPROVAL OF TRANSACTION**

2. Subject to the terms of this Order, the transaction is approved and execution of the LOI by the Vendor is hereby authorized and approved, with such minor amendments as the Vendor and the Purchaser may deem necessary.
3. KMC and Gibraltar are hereby authorized and directed to take such additional steps and execute such additional documents, including sales agreements and other definitive documents (collectively, the "**Definitive Documents**"), as are contemplated by the LOI or as may be necessary or desirable for completion of the Transaction, provided however that:
  - (a) The Definitive Documents are subject to the review and approval by the Proposal Trustee, ATB Financial as Administrative Agent for the Lenders and the Klemke Foundation;
  - (b) Any proposed reductions in the Purchase Price as set forth in the LOI are subject to the approval of the Proposal Trustee, ATB Financial in its capacity as Administrative Agent for the Lenders and the Klemke Foundation;
  - (c) If the transaction is not closed on or before 4:00 PM on January 9, 2025, then this Order shall have no further force and effect and the transaction shall not proceed absent further Order of this Court.

**VESTING OF PROPERTY**

4. Upon delivery of a Proposal Trustee's certificate to the Purchaser substantially in the form set out in **Schedule "B"** hereto (the "**Proposal Trustee's Closing Certificate**"), all of the Vendor's right, title and interest in and to the Purchased Assets shall vest absolutely in the name of the Purchaser, free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, "**Claims**") including, without limiting the generality of the foregoing:
  - (a) any encumbrances or charges created by the Order – First Stay Extension granted in this Action on December 9, 2024;
  - (b) any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system; (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, caveats, interests, easements, and restrictive

covenants listed in **Schedule "C"** (collectively, "**Permitted Encumbrances**")), and for greater certainty, this Court orders that all Claims including Encumbrances other than Permitted Encumbrances, affecting or relating to the Purchased Assets are hereby expunged, discharged and terminated as against the Purchased Assets.

5. Upon delivery of the Proposal Trustee's Closing Certificate, and upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities including those referred to below in this paragraph (collectively, "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of such Proposal Trustee's Closing Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to convey to the Purchaser clear title to the Purchased Assets subject only to Permitted Encumbrances. Without limiting the foregoing:
  - (a) the Registrar of the Alberta Personal Property Registry (the "**PPR Registrar**") shall and is hereby directed to forthwith cancel and discharge any registrations at the Alberta Personal Property Registry (whether made before or after the date of this Order) claiming security interests (other than Permitted Encumbrances) in the estate or interest of the Vendor in any of the Purchased Assets which are of a kind prescribed by applicable regulations as serial-number goods.
6. In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the terms of this Order and the LOI. Presentment of this Order and the Proposal Trustee's Closing Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any of the Purchased Assets of any Claims including Encumbrances but excluding Permitted Encumbrances.
7. No authorization, approval or other action by and no notice to or filing with any Governmental Authorities or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by the Vendor of the LOI.
8. For the purposes of determining the nature and priority of Claims, net proceeds from sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets from and after delivery of the Proposal Trustee's Closing Certificate and all Claims including Encumbrances (but excluding Permitted Encumbrances) shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may be asserted against the net proceeds from sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.
9. Without affecting the rights of any parties pursuant to the prior paragraph, upon receipt of the net proceeds from sale of the Purchased Assets, KMC is authorized and directed to remit to its legal counsel the net sales proceeds from the sale of the Purchased Assets to be held in trust by KMC's legal counsel until further Order of this Court.

10. Except as expressly provided for in the LOI, the Purchaser shall not, by completion of the Transaction, have liability of any kind whatsoever in respect of any Claims against the Vendor.
11. Upon completion of the Transaction, the Vendor and all persons who claim by, through or under the Vendor in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, save and except for persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Assets, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate, or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser.
12. The Purchaser shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the Vendor, or any person claiming by, through or against the Vendor.
13. Immediately upon closing of the Transaction, holders of Permitted Encumbrances shall have no claim whatsoever against the Vendor.
14. The Proposal Trustee is directed to file with the Court a copy of the Proposal Trustee's Closing Certificate forthwith after delivery thereof to the Purchaser.

#### MISCELLANEOUS MATTERS

15. Notwithstanding:
  - (a) the pendency of these proceedings and any declaration of insolvency made herein;
  - (b) the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended (the "BIA"), in respect of the Vendor, and any bankruptcy order issued pursuant to any such applications;
  - (c) any assignment in bankruptcy made in respect of the Vendor; and
  - (d) the provisions of any federal or provincial statute:

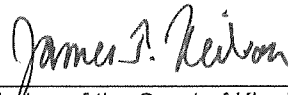
the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Vendor and shall not be void or voidable by creditors of the Vendor, nor shall it constitute nor be deemed to be a transfer at undervalue, settlement, fraudulent preference, assignment, fraudulent conveyance, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.



- 16. The Proposal Trustee, the Purchaser and any other interested party, shall be at liberty to apply for further advice, assistance and direction as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.
- 17. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, to give effect to this Order and to assist the Proposal Trustee and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such order and to provide such assistance to the Proposal Trustee, as an officer of the Court, as may be necessary or desirable to give effect to this Order or to assist the Proposal Trustee and its agents in carrying out the terms of this Order.
- 18. Service of this Order shall be deemed good and sufficient by:
  - (a) Serving the same on:
    - (i) the persons listed on any service list created in these proceedings;
    - (ii) any other person served with notice of the application for this Order;
    - (iii) any other parties attending or represented at the application for this Order;
    - (iv) the Purchaser or the Purchaser's solicitors; and
  - (b) Posting a copy of this Order on the Proposal Trustee's website at:  
<http://cfcanada.fticonsulting.com/KMCMining/>

and service on any other person is hereby dispensed with.

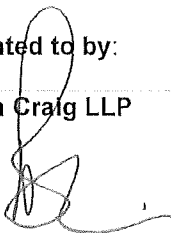
- 19. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.



Justice/Judge of the Court of King's Bench of Alberta

Consented to by:

Duncan Craig LLP



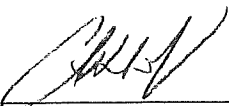
Per: Darren R. Bieganeck, KC  
Counsel for KMC Mining Corporation

Norton Rose Fulbright Canada LLP



for:

Per: Howard A. Gorman, KC  
Counsel for the Syndicate

<p>Ogilvie LLP</p>  <hr/> <p>Per: Akhil Vohra Counsel for The Klemke Foundation</p>	<p>MLT Aikins LLP</p> <hr/> <p>Per: Ryan Zahara Counsel for the Proposal Trustee</p>
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**Ogilvie LLP**

---

Per: Akhil Vohra  
Counsel for The Klemke Foundation

**MLT Aikins LLP**



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Per: Ryan Zahara  
Counsel for the Proposal Trustee

**Schedule "A"**

**Purchased Assets**

**KMTHD038NPA32008 – 2017 Komatsu 930E-4 Haul Truck**

**KMTHD038NHPA32009 – 2017 Komatsu 930E-4 Haul Truck**

If any discrepancy between this Schedule and the LOI, the LOI shall prevail.

**Schedule "B"**

**Form of Proposal Trustee's Certificate**

COURT FILE NO. 24-3162620

COURT Court of King's Bench of Alberta

JUDICIAL CENTRE Edmonton

IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, RSC 1985, c B-3, AS AMENDED

AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF **KMC MINING CORPORATION**

DOCUMENT **PROPOSAL TRUSTEE'S CERTIFICATE**

ADDRESS FOR  
SERVICE AND  
CONTACT  
INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

**RECITALS**

- A. Pursuant to a Notice of Intention ("**NOI**") to Make a Proposal ("**Proposal**") pursuant to section 50.4(9) of the Bankruptcy and Insolvency Act, RSC 1985, c B-3 as amended ("**BIA**") filed by KMC Mining Corporation (the "**Vendor**") on December 5, 2024, and FTI Consulting Ltd. having consented to act as the trustee for the Proposal ("**Proposal Trustee**").
- B. Pursuant to an Order of the Court of King's Bench of Alberta dated [**Date**], the Court approved the agreement of purchase and sale made as of [**Date of Agreement**] (the "**Sale Agreement**") between the Vendor and [**Name of Purchaser**] (the "**Purchaser**") and provided for the vesting in the Purchaser of the Vendor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Proposal Trustee to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the purchase price for the Purchased Assets; (ii) that the conditions to closing as set under the Sale Agreement have been satisfied or waived by the Vendor and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Proposal Trustee.

C. Unless otherwise indicated herein, capitalized terms have the meanings set out in the Sale Agreement.

**THE PROPOSAL TRUSTEE CERTIFIES** the following:

1. The Purchaser has paid the purchase price for the Purchased Assets pursuant to the Sale Agreement;
2. The conditions to closing as set out in sections **[NTD]** of the Sale Agreement have been satisfied or waived by the Vendor and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Proposal Trustee.

This Certificate was delivered by the Proposal Trustee at **[Time]** on **[Date]**.

**FTI Consulting Ltd., in its capacity as  
Proposal Trustee of KMC Mining  
Corporation, and not in its personal  
capacity.**

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

Name:

Title:

**Schedule "C"**  
**Permitted Encumbrances**

None.

This is **Exhibit "D"** referred to in the Affidavit of BRYN JONES sworn before me on the **31<sup>st</sup>** day of December, 2024.

A handwritten signature in blue ink, consisting of a long, sweeping horizontal stroke followed by a small, stylized flourish.

---

A Commissioner for Oaths in and for the Province of Alberta

**Roscoe Gee**  
**Student-At-Law**



# Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2024/12/30  
 Time of Search: 09:23 AM  
 Search provided by: DUNCAN CRAIG LLP - EDMONTON  
 Service Request Number: 43617594  
 Customer Reference Number: 204-219113

**Corporate Access Number:** 2013846908  
**Business Number:** 105125397  
**Legal Entity Name:** KMC MINING CORPORATION

**Legal Entity Status:** Active  
**Alberta Corporation Type:** Named Alberta Corporation  
**Method of Registration:** Amalgamation  
**Registration Date:** 2008/03/03 YYYY/MM/DD  
**Date of Last Status Change:** 2019/07/02 YYYY/MM/DD

#### Registered Office:

**Street:** 600-12220 STONY PLAIN RD NW  
**City:** EDMONTON  
**Province:** ALBERTA  
**Postal Code:** T5N3Y4

**Email Address:** ANNUALRETURNS@MROSS.COM

#### Primary Agent for Service:

Last Name	First Name	Middle Name	Firm Name	Street	City	Province	Postal Code	Email
HAUGHIAN	PAT		MCLENNAN ROSS LLP	600- 12220 STONY PLAIN RD NW	EDMONTON	ALBERTA	T5N3Y4	ANNUALRETURNS@MROSS.COM

#### Directors:

**Last Name:** KLEMKE  
**First Name:** DANIEL  
**Street/Box Number:** 28712 114 AVE  
**City:** ACHESON  
**Province:** ALBERTA  
**Postal Code:** T7X6E6

#### Voting Shareholders:

**Legal Entity Name:** BRYMAK HOLDINGS LTD.  
**Corporate Access Number:** 202194809  
**Street:** 25 ESTATE CRES  
**City:** ST. ALBERT  
**Province:** ALBERTA  
**Postal Code:** T8N5X1  
**Percent Of Voting Shares:** 53.846

**Last Name:** DIRK  
**First Name:** CRAIG  
**Street:** 28712 114 AVE NW  
**City:** ACHESON  
**Province:** ALBERTA  
**Postal Code:** T7X6E6  
**Percent Of Voting Shares:** 23.077

**Last Name:** JONES  
**First Name:** BRYN  
**Street:** 443 BUTCHART DRIVE NW  
**City:** EDMONTON  
**Province:** ALBERTA  
**Postal Code:** T6R1Z5  
**Percent Of Voting Shares:** 4.615

**Last Name:** KMC HOLDINGS LIMITED PARTNERSHIP  
**Street:** 4600-400 3 AVE S.W.  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2P4H2  
**Percent Of Voting Shares:** 18.462

### Details From Current Articles:

**The information in this legal entity table supersedes equivalent electronic attachments**

**Share Structure:** REFER TO MOST RECENT "SHARE STRUCTURE" & "AMENDMENT TO A SERIES OF SHARES" ATTACHMENTS  
**Share Transfers Restrictions:** NO SECURITIES, OTHER THAN NON-CONVERTIBLE DEBT SECURITIES, OF THE CORPORATION SHALL BE TRANSFERRED TO ANY PERSON WITHOUT THE APPROVAL OF THE BOARD OF DIRECTORS BY RESOLUTION.  
**Min Number Of Directors:** 1  
**Max Number Of Directors:** 9  
**Business Restricted To:** THERE SHALL BE NO RESTRICTIONS ON THE BUSINESS THAT THE CORPORATION MAY CARRY ON.  
**Business Restricted From:** THERE SHALL BE NO RESTRICTIONS ON THE BUSINESS THAT THE CORPORATION MAY CARRY ON.  
**Other Provisions:** REFER TO "OTHER RULES OR PROVISIONS" ATTACHMENT

**Holding Shares In:**

<b>Legal Entity Name</b>
KMFM SERVICES LTD.

**Associated Registrations under the Partnership Act:**

Trade Partner Name	Registration Number
K&N RECYCLING SOLUTIONS	TN23013642
K2 MINING	TN14049282
KLEMKE MINING	TN13850045
KMC MINING	TN13850060

**Other Information:****Amalgamation Predecessors:**

Corporate Access Number	Legal Entity Name
2013790262	1379026 ALBERTA LTD.
200134666	KLEMKE MINING CORPORATION

**Last Annual Return Filed:**

File Year	Date Filed (YYYY/MM/DD)
2024	2024/07/30

**Filing History:**

List Date (YYYY/MM/DD)	Type of Filing
2008/03/03	Amalgamate Alberta Corporation
2019/05/02	Status Changed to Start for Failure to File Annual Returns
2019/09/30	Change Address
2020/02/19	Update BN
2022/01/20	Change Agent for Service
2024/07/30	Enter Annual Returns for Alberta and Extra-Provincial Corp.
2024/08/13	Name/Structure Change Alberta Corporation
2024/10/28	Change Director / Shareholder

**Attachments:**

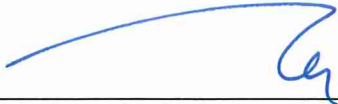
Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2008/03/03
Shares in Series	ELECTRONIC	2008/03/03
Other Rules or Provisions	ELECTRONIC	2008/03/03
Statutory Declaration	10000107102781415	2008/03/03
Share Structure	ELECTRONIC	2010/04/12
Shares in Series	ELECTRONIC	2010/04/12

<u>Consolidation, Split, Exchange</u>	ELECTRONIC	2010/04/12
<u>Share Structure</u>	ELECTRONIC	2016/03/31
<u>Amendment to a Series of Shares</u>	ELECTRONIC	2016/03/31
<u>Share Structure</u>	ELECTRONIC	2019/09/27
<u>Shares in Series</u>	ELECTRONIC	2019/09/27
<u>Share Structure</u>	ELECTRONIC	2019/09/27
<u>Amendment to a Series of Shares</u>	ELECTRONIC	2019/09/27
<u>Share Structure</u>	ELECTRONIC	2024/08/13
<u>Amendment to a Series of Shares</u>	ELECTRONIC	2024/08/13
<u>Share Structure</u>	ELECTRONIC	2024/08/13

The Registrar of Corporations certifies that, as of the date of this search, the above information is an accurate reproduction of data contained in the official public records of Corporate Registry.



This is **Exhibit "E"** referred to in the Affidavit of BRYN JONES sworn before me on the **31<sup>st</sup>** day of December, 2024.



---

A Commissioner for Oaths in and for  
the Province of Alberta

**Roscoe Gee**  
**Student-At-Law**



### TAKE A TOUR OF KMC'S HISTORY

In the summer of 1949, Ted A. Klemke and his son John (Jack) Klemke founded what we know today to be KMC Mining. At that time, Ted mortgaged his home to make this initial investment in the business, and soon, the father-son team began operations in southern Saskatchewan constructing irrigation canals.

KMC transitioned into building roads across Saskatchewan, and eventually, their operations made their way to Alberta. KMC then expanded its services to include railroads, dams, and other significant earthworks projects over the Company's 70 plus year history. As Western Canada developed, so did KMC as they completed projects throughout Alberta, British Columbia, Saskatchewan, Yukon, and Northwest Territories.

KMC started working in the Alberta oil sands industry shortly after completing the last leg of Highway 63, which truly paved the way for top oil sands producers. In 1973, KMC officially started our first oil sands project. Since then, we have seen significant growth as this sector has developed over the last 40 plus years. Take a tour to learn more about KMC's history.

## 2021

### **Rebuilt Workforce**

Rebuilt workforce to pre-Covid levels.

## 2022

### **Concluded KMFM Joint Venture**

KMFM joint venture with Fort McKay Group of Companies is concluded.

## 2019

### **September**

Management buyout complete.

## 2016

### **Thiess Partnership**

KMC joins Thiess to Win Major Oil Sands Contract with Suncor

## 2015

### **CNRL**

KMC awarded 2015-2016 Winter Reclamation Material Salvage and Placement Program

### **Graham Partnership**

GKJV formed to perform work at Syncrude

### **Diversification**

KMC was awarded a shale mining contract at a quarry in Western Alberta

## **2013**

On October 29, 2013, KMC achieved a milestone, extending the life of one of our 4000R57 tires to failure at 17,343 hours and 206,047 kilometers. This tire ran for approximately 3 1/2 years.

## **2010**

### **Acquisition**

KMC acquires assets of Cross Oilsands Contracting Ltd.

### **Teck**

Awarded pit bottom mining contract with Teck in BC's Elk Valley

## **2008**

### **TriWest Partnership**

TriWest, AIMCo and ATB become equity partners in KMC Mining

## **2007**

### **Partnership with Kiewit**

K2 Mining awarded Kearn Oil Sands Project in partnership with Kiewit

## **2006**



## **Suncor Tailings Pond**

Suncor South Tailings Pond completed

# **2002**

KMC awarded heavy civil contract. This project is the primary home for our fleet of super shovels and haul trucks.

# **1999**

## **H740 Shovel**

H740 shovel (collaborated with Komatsu Germany) for first 40 m3 shovel

## **PC8000**

KMC took delivery of the first of the Komatsu flagship PC8000 shovel that was built to KMC specifications under a confidentiality agreement

# **1998**

## **Uranium**

Awarded contract to reclaim Cameco Key Lake mine. This contract involved the placement of approx. 2,700,000 cu. meters of material from a stockpile source back into mined out pit. A large fleet was mobilized for this three month project which was completed on schedule.

## **Liebherr T282**

KMC field tested the first group of Liebherr T282 (380 ton) trucks

# **1996**

### **Name Change**

T.A. Klemke & Son Construction Ltd. changed to Klemke Mining Corporation or KMC Mining

## **1995**

### **Demag H685**

Worlds largest hydraulic excavator commissioned for KMC

## **1989**

### **Added Shovel**

Purchased first 285 Shovel with a 19 cubic meter capacity

## **1988**

### **Fort McMurray**

Oil Sands work continues

### **Worlds First Shovel**

Purchased worlds first 485 Shovel with 28 cubic meters capacity

## **1987**

### **CAT 789**

Bought first 3 CAT 789

## **1982**

### **Coal**

Quintette Coal Mine work

### **CAT D9N**

Purchased first CAT D9N Tractor in the World

## **1981**

### **Fort McMurray**

Oil Sands work for Suncor and Syncrude continues

### **Cassiar Gold Mine**

KMC expanded its mining footprint with Placer Cassiar Gold Mine. Company received provincial government commendation for outstanding environmental reclamation work

## **1980**

### **Oil Sands Work**

Work at Syncrude and Suncor continues

### **Plane Crash**

April 7 Athabasca Plane Crash.  
Jack Klemke, Ralph Hope and other passengers suffered minor injuries.

## **1978**

### **CN Railway**

CN Rail bridge approaches

### **CAT 777**

First 777 purchased

### **Oil Sands Work**

Work at Syncrude and Suncor continues

Started direct work for Syncrude with overburden removal contract

## 1974

### **Syncrude**

Ongoing work at Syncrude

### **Suncor**

Started work at Suncor site in Fort McMurray, AB

## 1973

### **Waterton, AB**

Waterton Lake Road

### **Pivotal Contract**

Started at Syncrude in November 1973 working for Bechtel. Second company to ever work in the oil sands region.

## 1972

### **Highway**

Dempster Highway work completed. At the time, it was Canada's only all-weather road to cross the Arctic circle and made Canadian history to connect the Klondike Highway to the Northwest Territories

### **Klemke Family Business**

The next generation of Klemke's join the Company in various roles to aid in the growing business.

## 1971

### **Fort Simpson, NT**

Ongoing roadwork project

### **Highway**

Dempster Highway construction commenced

## **1970**

### **Fort Simpson, NT**

Ongoing roadwork project

## **1969**

### **CN Railway**

Fox Creek CN railway bed project

### **YEO**

Bought YEO

Ralph Hope, Pilot, came on staff

## **1968**

### **Peace River**

Completed Peace River Highway Relocation

### **Highway**

Fraust Lake Highway

## **1967**

### **Grand Prairie, AB**

Alberta Resources railway bed project

### **Highway Relocation**

## Peace River Highway Relocation

# 1966

### **Northwest Territories**

Pine Point, NT

Constructed 60 miles of road south of Kluane Road towards Fort Smith

### **Rail**

Grande Cache railway bed project

### **Edmonton Office**

Established corporate office in Edmonton

# 1965

### **Fort McMurray**

Constructed 41 miles of Highway 63 North of Hangingstone Creek to South of Algar Tower  
Project paved the way for top producers to start work in oil sands and opened up new opportunities for the Company.

# 1964

### **Waterton, AB**

Chief Mountain Highway  
Spring flood threatened bridge building efforts

# 1963

### **Highway**

Millet, AB

# 1962

## Highway

Highway 2 from Clairsholm to Stavely, AB

# 1961

## Morin, AB

Approaches to Red Deer River Bridge

## Fossils

Plesiosaur Dinosaur skeleton found with sea shell fossils

# 1960

## Highway

Highway 3 from Coaldale to Lethbridge, AB

# 1959

## Road

Swan Hills to Fort Assiniboine Road

# 1958

## Lemond, AB

Finished up canal contract

## Vauxhall, AB

First Highway Project  
Vauxhall to Old Man River

## Fleet Additions

Bought first 2 motor scrapers DW 15

**Wardlow, AB**

Until freeze up

## 1957

**Klemke Family Grows**

Klemke twins born

**Lemond, AB**

Finished up canal contract

**Vauxhall, AB**

First highway project started from Vauxhall to Old Man River, AB

**Fleet Additions**

Bought first two motor scrapers DW 15

**Wardlow, AB**

Until freeze up

## 1956

**Horsefly Dam**

Back to Taber, AB to finish dam

**Lemond, AB**

Canal contract until freeze up

**Acquisition**

Bought Medicine Hat Sand & Gravel

## 1955

**March**

Back to Hayes, AB for land leveling

**Carsland, AB**



Big cut job

**Suffield, AB**

Road building

**Horsefly Dam**

Constructed dam near Taber, AB

## 1954

**March**

Back to Hayes, AB for land leveling

**Added to Fleet**

Bought used D8, Richardson Pull Grader and a LP  
Letourneau Pull Blade

**Summer**

Bow Island canal building

**Land Leveling**

Land leveling until freeze up in Manyberries, AB

**First Klemke**

Third generation Klemke son born

**Winter**

Repaired machinery to prepare for next year's work

## 1953

**New Location**

Family living in Vauxhall, AB

**New Equipment**

Bought new D7 and Cat 60 scraper  
New equipment became available shortly after Korean  
War ended

**Road**

Built roads in Vauxhall, AB

### **Land Leveling**

Hayes, AB

## **1952**

### **Spring**

Sold first trailer

### **New Trailer**

Built 24 ft by 8 ft trailer and 16 ft by 8 ft bunkhouse for family

### **Fleet Additions**

Bought second used D7 tractor and Cat 70 scraper

### **Moved to Alberta**

Resumed canal work in Alberta

### **September**

Crossed Bow River by ferry North of Vauxhall, AB  
Force account work patching Ronalain Road

## **1951**

### **Spring**

Repaired dam in Beechie, SK

### **June to October**

Irrigation canal construction

## **1950**

### **May & June**

Built TransCanada Highway between Mortlack and Parkbeg, SK  
Unit price at 12 cents/cubic yard

Subcontracted by Clark Construction

### **July**

Dam near Delisle, SK (North of North Battleford)

### **Summer**

Constructed four small dams near Round Hill, SK and another small dam near Smilie, SK

### **Smilie, SK**

Klemke's lived in 10 ft x 8 ft trailer

Left machine for Winter

## **1949**



### **Initial Investment**

Ted A. Klemke mortgaged their home to make the initial investment in the new business. His son John (Jack) Klemke joined him and the father-son team began operations in southern Saskatchewan constructing irrigation canals.

### **Spring**

Purchased used Caterpillar RD 7 Tractor & Bee Gee Scraper

### **First Job**

Repaired small dam in Pense, SK which is East of Moosejaw

### **Summer**

Built dyke at Kiedive, SK

Dug several dugouts for PRFA between Moosejaw and Regina

### **Fall**

Built a dugout at Caronport, SK

**GET IN TOUCH WITH THE MINING EXPERTS.**

**EMPLOYEES / CAREERS**

**LOCATION AND CONTACT**

**MINING SERVICES**

**NEWS**

**PROJECTS**

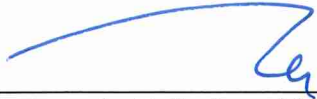
**PO TERMS AND CONDITIONS**



Copyright © KMC Mining 2020

[Terms of Service](#)   [Privacy Policy](#)

This is **Exhibit "F"** referred to in the Affidavit  
of BRYN JONES sworn before me  
on the **31<sup>st</sup>** day of December, 2024.



---

A Commissioner for Oaths in and for  
the Province of Alberta

**Roscoe Gee**  
**Student-At-Law**

**KMC MINING CORPORATION**  
**Consolidated Financial Statements**  
**December 31, 2023**

# **Pennock Acheson Nielsen Devaney LLP**

**Chartered Professional Accountants**

Suite 2201, 10088-102 Avenue Telephone: (780) 496-7774  
Edmonton, Alberta T5J 2Z1 Facsimile: (780) 423-0582

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## **INDEPENDENT AUDITOR'S REPORT**

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To the Shareholders of KMC Mining Corporation

### *Opinion*

We have audited the consolidated financial statements of KMC Mining Corporation (the Company), which comprise the consolidated balance sheet as at December 31, 2023, and the consolidated statements of loss and comprehensive income (loss), changes in equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2023, and the consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

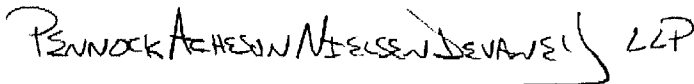
*Auditor's Responsibilities for the Audit of the Consolidated Financial Statements*

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



**Chartered Professional Accountants**

May 28, 2024



**KMC MINING CORPORATION**  
**Consolidated Balance Sheet**  
**As at December 31, 2023**  
**(Stated in thousands of Canadian dollars)**

	2023	2022
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash (Note 3)	\$ -	\$ 329
Accounts receivable (Note 4)	13,568	17,453
Inventories (Note 5)	10,359	9,979
Prepaid expenses and deposits	1,241	1,031
	<u>25,168</u>	<u>28,792</u>
PROPERTY AND EQUIPMENT (Note 6)	293,341	226,776
INTANGIBLE ASSETS (Note 7)	328	274
	<u>\$ 318,837</u>	<u>\$ 255,842</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Bank indebtedness (Note 3)	\$ 939	\$ -
Accounts payable (Note 8)	20,573	26,794
Demand debt and debt maturing within one year (Note 9)	53,261	61,658
Current portion of lease liabilities (Note 10)	17,720	19,886
Contract liability	-	608
Current portion of subordinated promissory notes (Note 11)	64,831	15,470
Due to KMFJ Joint Venture	1,650	2,544
Preferred shares (Note 12)	13,000	13,000
	<u>171,974</u>	<u>139,960</u>
LONG TERM DEBT (Note 9)	31,735	-
LEASE LIABILITIES (Note 10)	45,673	14,048
DEFERRED INCOME TAXES (Note 15)	9,485	6,278
SUBORDINATED PROMISSORY NOTES (Note 11)	-	46,269
	<u>258,867</u>	<u>206,555</u>
CONTINGENCIES (Note 13)		
SUBSEQUENT EVENTS (Note 20)		
<b>SHAREHOLDERS' CAPITAL</b>		
Share capital (Note 12)	2	2
Accumulated comprehensive income	121,771	107,266
Deficit	(61,803)	(57,981)
	<u>59,970</u>	<u>49,287</u>
	<u>\$ 318,837</u>	<u>\$ 255,842</u>

**APPROVED**

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

**KMC MINING CORPORATION****Consolidated Statement of Loss and Comprehensive Income (Loss)****For the Year Ended December 31, 2023****(Stated in thousands of Canadian dollars)**

	2023	2022
REVENUES	\$ 166,080	\$ 140,347
COST OF SALES (Note 14)	<u>105,246</u>	<u>105,937</u>
GROSS PROFIT	<u>60,834</u>	<u>34,410</u>
EXPENSES		
Depreciation	32,552	38,293
Administration and general (Note 14)	11,309	11,754
Loss on disposal of property and equipment	10,032	1,236
Loss on foreign exchange	<u>-</u>	<u>2</u>
	<u>53,893</u>	<u>51,285</u>
INCOME (LOSS) BEFORE THE FOLLOWING	<u>6,941</u>	<u>(16,875)</u>
OTHER EXPENSES		
Interest and loan fees	13,351	10,296
CEWS and CRHP income	<u>(20)</u>	<u>(2,396)</u>
	<u>13,331</u>	<u>7,900</u>
LOSS BEFORE INCOME TAXES (RECOVERED)	<u>(6,390)</u>	<u>(24,775)</u>
DEFERRED INCOME TAXES (Note 15)	<u>(1,457)</u>	<u>(5,666)</u>
NET LOSS	<u>(4,933)</u>	<u>(19,109)</u>
Revaluation surplus on equipment	20,280	22,764
Deferred income tax relating to revaluation surplus (Note 15)	<u>(4,664)</u>	<u>(5,254)</u>
	<u>15,616</u>	<u>17,510</u>
COMPREHENSIVE INCOME (LOSS)	<u>\$ 10,683</u>	<u>\$ (1,599)</u>

**KMC MINING CORPORATION**  
**Consolidated Statement of Changes in Equity**  
**For the Year Ended December 31, 2023**  
**(Stated in thousands of Canadian dollars)**

	Shares issued #	Share capital \$	Equity (Deficit) \$	Revaluation surplus \$	Total shareholders' (deficit) equity \$
Balance - December 31, 2021	20,310,000	\$ 2	\$ (38,796)	\$ 89,680	\$ 50,886
Net loss	-	-	(19,109)	-	(19,109)
Shares issued (Note 12)	350,000	-	-	-	-
Sale of assets in year	-	-	(76)	76	-
Revaluation surplus	-	-	-	22,764	22,764
Tax impact on revaluation surplus	-	-	-	(5,254)	(5,254)
Balance - December 31, 2022	20,660,000	2	(57,981)	107,266	49,287
Net loss	-	-	(4,933)	-	(4,933)
Shares issued (Note 12)	100,000	-	-	-	-
Sale of assets in year	-	-	1,111	(1,111)	-
Revaluation surplus	-	-	-	20,280	20,280
Tax impact on revaluation surplus	-	-	-	(4,664)	(4,664)
Balance - December 31, 2023	20,760,000	\$ 2	\$ (61,803)	\$ 121,771	\$ 59,970

**KMC MINING CORPORATION**  
**Consolidated Statement of Cash Flows**  
**Year Ended December 31, 2023**

	2023	2022
<b>NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:</b>		
<b>OPERATING ACTIVITIES</b>		
Net loss	\$ (4,933)	\$ (19,109)
Items not affecting cash:		
Amortization of property and equipment	32,552	38,293
Loss on disposal of property and equipment	10,032	1,236
Future income taxes	(1,457)	(5,666)
Interest accrued on subordinated debt	3,642	3,381
Amortization of deferred financing charges to finance costs	172	216
	<u>40,008</u>	<u>18,351</u>
Changes in non-cash working capital (Note 17)	(3,534)	(5,092)
Cash flow from operating activities	<u>36,474</u>	<u>13,259</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of property and equipment	(49,212)	(7,112)
Net investment in KMFM JV	(894)	3,143
Proceeds on disposal of property, plant and equipment	9,064	3,692
Cash flow used by investing activities	<u>(41,042)</u>	<u>(277)</u>
<b>FINANCING ACTIVITIES</b>		
Proceeds from long term financing	41,140	6,465
Repayment of obligations under capital lease	(19,262)	(12,481)
Repayment of long term debt	(17,802)	(7,451)
Repayment of subordinated debt	(550)	(60)
Financing fee paid	(226)	-
Cash flow from (used by) financing activities	<u>3,300</u>	<u>(13,527)</u>
<b>DECREASE IN CASH</b>	<b>(1,268)</b>	<b>(545)</b>
<b>CASH - BEGINNING OF YEAR</b>	<b>329</b>	<b>874</b>
<b>(BANK INDEBTEDNESS) CASH - END OF YEAR (Note 3)</b>	<b>\$ (939)</b>	<b>\$ 329</b>

**KMC MINING CORPORATION**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2023**

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**1. DESCRIPTION OF BUSINESS**

KMC Mining Corporation (the "Company") is incorporated under the Business Corporations Act (Alberta). The Company's corporate office is located in Acheson, Alberta. The Company and its subsidiary are primarily engaged in providing contract-mining capabilities to the oil sands industry in northern Alberta and to the coal industry in Alberta and British Columbia. The Company and its subsidiary derive substantially all of their revenue from two customers; a significant decrease in demand from one customer, or the loss of one customer, could materially affect the Company's operations and cash flows.

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES**

*Basis of presentation*

The consolidated financial statements of the Company have been prepared on a historical cost basis in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company, and all values are rounded to the nearest thousand except when otherwise indicated. The consolidated financial statements were authorized for issue by the Board of Directors on May 28, 2024.

*Principles of consolidation*

The consolidated financial statements include the accounts of the Company and its 100% owned subsidiary, KMC Mining (B.C.) Ltd. Subsidiaries are entities controlled by the company. Control exists when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that currently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The Company also conducts certain of its business activities through joint operations principally located at Syncrude Canada Ltd.'s Mildred Lake Mine: Fort McKay KMC Joint Venture ("KMFJ") (49% share). The joint venture was wound-up during 2022. The Company continues to work with Syncrude Canada independently. A joint operation is a form of joint arrangement. All joint arrangements have a contractual arrangement that establishes joint control, which only exists when decisions about the activities that significantly affect the returns of the investee require unanimous consent of the parties sharing control. A joint operation is a joint arrangement in which the Company has rights to the assets and obligations for the liabilities relating to the arrangement. Accordingly, joint operations are accounted for by recognizing the Company's proportionate share of all of the activities of the operation. The Company's interests in KMFJ joint operations are accounted for by recording the Company's proportionate share of the assets, liabilities, revenue, expenses, net income and cash flows of the joint operations; all inter Company balances and transactions with the joint operation are eliminated. The residual balance sheet position represents an amount owing to / from the joint venture in excess of the Company's proportionate share.

*Use of estimates*

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

In particular, areas that include significant estimation and uncertainty related thereto include: the progress in satisfying the performance obligation for long-term mining contracts; the valuation amounts of mining equipment used under the revaluation model; the amortization periods for property and equipment and intangible assets; the fair values of financial instruments; the future cash flows used to estimate the fair value of cash-generating units for the evaluation of possible impairment of long-lived assets; the amounts accrued for equipment repairs and other accrued liabilities; and the future taxable income used to estimate whether deferred tax benefits of income tax losses and other temporary timing differences will be realized.

**KMC MINING CORPORATION**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2023**

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**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** *(continued)*

These estimates have been made using judgments, which, in management's opinion, are within reasonable limits of materiality and conform to the significant accounting policies summarized below. These material accounting policies are presented to assist the reader in evaluating these consolidated financial statements and, together with the following notes, should be considered an integral part of the consolidated financial statements.

*Cash and cash equivalents*

Cash includes cash and cash equivalents. Cash equivalents are short-term, highly liquid investments and are valued at cost plus accrued interest, as well as bank overdraft with balances that fluctuate frequently from positive to overdrawn. The carrying amounts approximate fair value because they have maturities at the date of purchase of less than ninety days.

*Inventories*

Inventories are comprised of replacement parts, other consumable supplies and spare tires and are valued at the lower of cost and net realizable value. Cost is calculated on an average cost basis. Cost includes the initial purchase price including the costs attributable to bringing the inventory to the site location required to be available for consumption in the equipment maintenance or operation processes. Net realizable value is the estimated proceeds from disposal of the item in the ordinary course of business less all estimated costs necessary to make the sale. Provision for obsolescence is determined by reference to specific items as determined by regular review by management. Where the net realizable value of inventory items with related obsolescence provisions subsequently increases, the related obsolescence provision is reversed to bring the carrying amount of the inventory to its revised net realizable value. The carrying value of such inventory is not reflected at an amount in excess of its original cost.

*Property and equipment*

Property and equipment are stated as described below less accumulated amortization. Property and equipment are amortized over their estimated useful lives at the following rates and methods:

*Revaluation model*

The Company uses the revaluation approach to the subsequent measurement of mining equipment. Under the revaluation model, the mining equipment is carried at its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairments losses. Management engages independent external business valuers to assist in the fair value assessment. Management has selected to use the elimination method for the revaluation and as such any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the asset's revalued amount.

Any revaluation increases are included in other comprehensive income ("OCI") unless it reverses a revaluation decrease of the mining equipment previously recognized in the income statement. Any revaluation decreases are included in the income statement unless a credit balance exists in the revaluation surplus. Management has chosen to transfer the revaluation surplus to retained earnings when the asset is retired or disposed of.

Each piece of equipment is componentized. In between revaluations, each component is depreciated straight-line over its estimated useful life based on usage. Estimated useful life and usage are based on operating hours. Certain components have residual core values.

The most recent valuation by an independent external business valuator was completed December 31, 2023.

**KMC MINING CORPORATION**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2023**

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**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)**

*Cost model*

Property and equipment, other than mining equipment, is stated at cost, less accumulated depreciation and accumulated impairment losses, if any. The initial cost of an asset comprises its purchase price or construction cost and any costs directly attributable to bringing the asset into operation.

Property and equipment is depreciated over the assets' estimated useful life to its expected residual value at the following annual rates:

Facilities	5%	straight-line
Vehicles	30%	straight-line
Small equipment and tools	30%	straight-line
Computer, radio and office equipment	15%	straight-line

In the year of acquisition, depreciation is calculated beginning with the month subsequent to the acquisition. In the year of disposition, depreciation is recorded up to the date of disposal.

Expenditures on major maintenance refits or repairs are comprised of the cost of replacement assets or major components and overhaul costs. Where an asset or major component that is fully depreciated is replaced and it is probable that future economic benefits associated with the replacement item will flow to the Company through an extended life, the expenditure is capitalized and the replaced asset or component is derecognized, with any loss arising from derecognition being included in the consolidated statement of income and comprehensive loss when the asset is derecognized. Where an asset or major component that is not fully depreciated is replaced, the carrying value of the replaced asset or component is derecognized, with any gain or loss arising from derecognition being included in the consolidated statement of income and comprehensive loss when the asset is derecognized. Expenditures on repair and maintenance activities that do not serve to extend an asset's useful life or enhance its service potential are expensed as incurred. Expenditures made in advance of receipt of the tangible asset, pursuant to major component replacement agreements or asset acquisition agreements, are recorded in property and equipment as capital in progress/capital spares.

*Borrowing costs*

Where borrowing costs are directly attributable to the acquisition, construction or commissioning of an asset that takes a considerable period of time for the asset to be brought into productive use, such costs are capitalized. Borrowing costs are capitalized when there are general or specific borrowings, expenditures are incurred and activities are undertaken to prepare the asset for its intended use. Capitalized borrowing costs cannot exceed the actual amount of borrowing costs incurred during the period. All other borrowing costs are expensed as incurred. Capitalization of borrowing costs is discontinued when substantially all of the activities necessary to bring the asset into productive use have been completed. Capitalized borrowing costs are amortized over the useful life of the related asset or assets where major components of the related asset are separately recorded.

**KMC MINING CORPORATION**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2023**

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**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)**

*Leases*

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognizes a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless other systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

*(a) Lease liability*

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments, less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the Company under residual value guarantees;
- The exercise price of purchase options, if the Company is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

*(b) Remeasurement of lease liability*

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

*(c) Right-of-use assets*

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. Other than as separately disclosed, right-of-use assets are included with property and equipment.



**KMC MINING CORPORATION**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2023**

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**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** *(continued)*

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Impairment of long-lived assets' policy.

*Intangible assets*

Acquired intangible assets with finite lives are recorded at their initial cost and are amortized over their estimated lives on a straight-line basis. Customer contracts/relationships are amortized over 20 years and software licenses are amortized over the license period or expected useful life, whichever is shorter. Once an intangible asset is fully amortized, the gross carrying amount and the related accumulated amortization are removed from the accounts.

Costs incurred with respect to the issuance or modification of revolving credit facilities are recorded at their initial cost and amortized evenly over the term of the related financing agreement. This treatment is applied until the end of the applicable revolving period under the credit facility agreement, which may conclude prior to the full term of the revolving credit facility. At the conclusion of the applicable revolving period and upon conversion to a non-revolving facility, the carrying value of unamortized financing costs are recorded as a reduction to the liability's carrying amount and amortized to income using the effective interest method for the remaining term of the related facility.

*Long-lived assets*

Management assesses the carrying value of long-lived assets, which include property and equipment and intangible assets with finite lives, for indications of impairment when events or changes in circumstances indicate that the assets' carrying amounts exceed their recoverable amounts. The recoverable amount is the higher of an asset's fair value less costs to sell and its value-in-use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows, i.e. the cash-generating unit ("CGU"). Long-lived assets that have incurred an impairment loss are reviewed for possible reversal of the impairment losses at each reporting date.

*Financial instruments*

The Company recognizes financial assets and financial liabilities when the Company becomes a party to a contract. Financial assets and financial liabilities, with the exception of financial assets and financial liabilities classified as fair value through profit or loss ("FVTPL"), are measured at fair value plus or minus transaction costs on initial recognition. Financial assets and financial liabilities at fair value through profit or loss are measured at fair value on initial recognition and transaction costs are expensed when incurred.

Measurement in subsequent periods depends on the classification of the financial instrument:

*Financial assets at amortized cost*

Cash and accounts receivable are held with the objective of collecting contractual cash flows and classified as amortized cost.

Subsequent to initial recognition, these assets are carried at amortized cost, using the effective interest method, less any impairment loss. The carrying amount of the financial asset is reduced through an allowance account, and the amount of the loss is recognized in the consolidated statement of loss. Any subsequent reversal of an impairment loss is recognized in profit or loss.

**KMC MINING CORPORATION**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2023**

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**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)**

*Financial liabilities at amortized cost*

Accounts payable, amounts due to KMFJ Joint Venture, demand debt, subordinated promissory notes and preferred shares are classified as amortized cost.

Subsequent to initial recognition, these liabilities are carried at amortized cost, using the effective interest method. The effective interest method is a method of calculating the amortized cost of an instrument and for allocating interest income over the relevant period. The effective interest rate is the rate that discounts estimated future cash flows (including all transaction costs and other premiums or discounts) through the expected life of the debt instrument to the net carrying amount on initial recognition.

Derivatives are recognized initially at fair value on the date of contract inception and are subsequently remeasured to current fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the instrument is designated as a hedging instrument and, if so, the nature of the item being hedged. The Company currently designates certain derivatives as hedges of the interest rate cash flow risk associated with variable rate loans, and does not hold any derivatives for trading or speculative purposes. At the inception of the hedge relationship, the Company documents the economic relationship between the hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking hedge transactions. The effective portion of changes in the fair value of qualifying hedging derivatives is recognized as a reserve within equity. The gain or loss relating to any ineffective portion is recognized immediately in profit or loss. The periodic net settlement of the interest rate swap is recognized in profit or loss within finance costs at the same time as the interest expense on the hedged borrowings. Upon the expiry, sale, or termination of a hedging instrument, any cumulative deferred gain or loss and deferred costs of hedging remain in equity until the original hedged transactions occur.

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

The Company uses the expected credit loss model for calculating impairment. For financial assets classified at amortized cost, the Company, at each reporting date, measures the loss allowance for that financial instrument at an amount equal to the 12-month expected credit losses given the credit risk on the financial instrument has not increased significantly since initial recognition. The Company recognizes in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date.

The Company has applied the simplified approach to measuring expected credit losses of trade receivable which uses a lifetime expected credit loss taking into consideration historical credit loss experience, financial condition of the customer and economic conditions.

*Provisions*

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

**KMC MINING CORPORATION**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2023**

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**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)**

*Revenue recognition*

The Company has long-term contracts with most of its major customers. The amount of revenue to be recognized is based on the consideration the Company expects to receive in exchange for its services. As the performance obligations for these contracts are satisfied over time, revenue from these contracts is recognized by measuring the progress towards complete satisfaction of the performance obligation using the output method, which consists of fixed rates for each hour of service provided or for volume of material moved. This output method is used to measure the progress as the output can be directly observable and the information required to apply them are available to the Company without undue cost. Payment for this type of revenue is typically due at the time of delivery of services. Any excess costs and estimated earnings over progress billings is carried as a contract asset. Any excess of progress billings over earned revenue is carried as a contract liability.

If a contract contains more than one performance obligation, the consideration is allocated based on the standalone rate of each performance obligation. Losses for a given contract are provided for in full as soon as they become probable. The consideration the Company receives in exchange for its services is only recognized to the extent it is highly probable that a significant reversal will not occur when the uncertainty surrounding any components of variable consideration is subsequently resolved. The Company does not have any element of variable consideration in its revenue streams as all type of services are subject to predetermined rates and they are not exposed to returns, rebates or other price adjustments.

The Company applies the practical expedient in paragraph 121 of IFRS 15 as the performance obligation as part of a master contract generally has an original expected duration of one year or less. For the same reason, the incremental costs of obtaining a contract with a customer have not been recognized as an asset.

*Foreign currency translation*

The consolidated financial statements are presented in Canadian dollars, which is the Company's functional currency. The Company does not have any foreign operations. Transactions denominated in a foreign currency are initially recorded at historical exchange rates in effect when the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange in effect at the consolidated statement of financial position date. Foreign exchange gains or losses are included in the determination of income and comprehensive income. Non-monetary items are translated and recorded at the historical exchange rates that were in effect when the transaction occurred.

*Post-retirement benefits*

The Company makes contributions under union agreements with its unionized employees to fund defined benefit pension plans administered by the unions. As the Company's obligation is limited to contributions as directed by the unions and because it is not responsible for actuarial shortfalls or exposed to investment risk, the Company accounts for the pension plans as defined contribution plans whereby the obligation for each year is determined as the amounts required to be contributed for that year and is recorded as an expense of the period. The total contributions for the year were \$2,500 (2022 - \$2,865).

The Company also provides post-retirement benefits for non-unionized employees and is obligated to make contributions to the registered pension plan or to the employees' registered retirement savings plans based on a set percentage of the employee wages or salaries. The Company accounts for these benefits as a defined contribution plan arrangements. The obligation for each year is determined as the amounts required to be contributed for that year. Such amounts are recorded as an expense of the period. The total contributions for the year were \$472 (2022 - \$498).

**KMC MINING CORPORATION**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2023**

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**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)**

*Income taxes*

The Company follows the liability method of accounting for income taxes whereby current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. Under this method, deferred income tax assets and liabilities are determined based on the differences between financial reporting and tax bases of assets and liabilities and are measured using the enacted or substantively enacted tax rates and laws that are expected to be in effect when the differences are expected to reverse. A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the assets will be used. The effect on deferred income tax assets and liabilities arising from a change in tax rates is recognized in income in the period of enactment, or substantive enactment if this is earlier. Therefore, income tax expense is the tax payable for the period and the change during the period in deferred income tax assets and liabilities.

*Accounting standard adopted during the year*

*(a) IAS 1 Presentation of financial statements*

The amendment to IAS 1 clarifies the requirements relating to determining if a liability should be presented as current or non-current in the statement of financial position. Under the new requirement, the assessment of whether a liability is presented as current or non-current is based on the contractual arrangements in place as at the reporting date and does not impact the amount or timing of recognition. The adoption of the amendment to IAS 1 did not result in any adjustment to the presentation of the consolidated financial statements of the Company.

*(b) IAS 8 Accounting policies, changes in accounting estimates and errors*

The amendments were made to clarify the definition of accounting estimates and help entities distinguish changes in accounting estimates from changes in accounting policies. The adoption of the amendment to IAS 8 did not result in any adjustment to the consolidated financial statements of the Company.

*(c) IAS 12 Income taxes*

The amendment narrows the scope of certain recognition exemptions so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. An entity applies the amendments to transactions that occur on or after the beginning of the earliest comparative period presented. It also, at the beginning of the earliest comparative period presented, recognizes deferred tax for all temporary differences related to leases and decommissioning obligations and recognizes the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date. The adoption of the amendment to IAS 12 did not result in any adjustment to the consolidated financial statements of the Company.

*Future accounting pronouncements*

*(a) IAS 1 Presentation of financial statements*

The amendment to IAS 1 requires an entity to disclose, in specified circumstances, information in the notes that enables financial statement users to understand the risk that non-current liabilities with covenants could become repayable within 12 months after the reporting period. The amendments are effective for annual reporting periods beginning on or after January 1, 2024. Earlier application is permitted. The Company is currently evaluating the potential impact of this amendment on the Company's consolidated financial statements.

*(b) IAS 7 Statement of cash flows*

The amendments require an entity to provide additional disclosures about its supplier finance arrangements. The amendments also add supplier finance arrangements as an example within the liquidity risk disclosure requirements of IFRS 7 Financial Instruments: Disclosures. The amendments are effective for annual reporting periods beginning on or after January 1, 2024. Earlier application is permitted. The Company is currently evaluating the potential impact of this amendment on the Company's consolidated financial statements.

**KMC MINING CORPORATION**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2023**

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** *(continued)*

*(c) IFRS 16 Leases*

The amendments add subsequent measurement requirements to IFRS 16 that explain how an entity accounts for a sale and leaseback after the date of the transaction. The amendments are effective for annual reporting periods beginning on or after January 1, 2024. Earlier application is permitted. The Company is currently evaluating the potential impact of this amendment on the Company's consolidated financial statements.

**3. CASH AND CASH EQUIVALENTS**

	<u>2023</u>	<u>2022</u>
Consolidated balance excluding joint operations	\$ (939)	\$ (4)
Joint operations	-	333
	<u>\$ (939)</u>	<u>\$ 329</u>

Cash and cash equivalents on deposit in jointly controlled joint operations bank accounts cannot be accessed directly by the Company and are subject to periodic distributions as jointly agreed upon by the joint operations parties.

**4. ACCOUNTS RECEIVABLE**

Accounts receivable are comprised of the following:

	<u>2023</u>	<u>2022</u>
Trade accounts receivable	\$ 12,161	\$ 14,307
Other	668	3,001
GST receivable	739	-
Joint operations	-	145
	<u>\$ 13,568</u>	<u>\$ 17,453</u>

As more fully described in Note 18, the Company evaluates the necessity for an allowance for doubtful accounts for estimated credit losses resulting from the potential inability to collect on its trade accounts. The evaluation considers specific customers' credit risk, the aging of trade accounts receivable, historical experience and current economic information. For the year-ending December 31, 2023 there was no allowance for doubtful accounts (2022 - \$nil) and no amounts were written off as uncollectible during the year (2022 - \$nil).

**5. INVENTORIES**

The Company reviews its provision for inventory valuation write-downs for specific parts that became surplus because of the disposition or retirement of the related equipment type from the equipment fleet. For the year-ending December 31, 2023 there were write-downs of \$260 (2022 - \$nil) of inventory to net realizable value.

**KMC MINING CORPORATION**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2023**

**6. PROPERTY AND EQUIPMENT**

	Mining equipment \$	Vehicles \$	Facilities \$	Small equipment and tools \$	Computer, radio & office equipment \$	Capital in progress / Spares \$	Total \$
<b>Cost</b>							
Balance as at January 1, 2023	218,249	12,147	12,903	6,396	2,020	1,344	253,059
Additions	93,009	2,687	-	389	23	2,726	98,834
Disposals	(19,892)	(858)	-	(55)	-	(900)	(21,705)
Revaluation	(9,047)	-	-	-	-	-	(9,047)
Balance as at December 31, 2023	<u>282,319</u>	<u>13,976</u>	<u>12,903</u>	<u>6,730</u>	<u>2,043</u>	<u>3,170</u>	<u>321,141</u>
<b>Accumulated Depreciation</b>							
Balance as at January 1, 2023	-	9,612	8,755	5,898	2,018	-	26,283
Depreciation and impairment	30,152	1,459	645	294	2	-	32,552
Disposals	(825)	(832)	-	(51)	-	-	(1,708)
Revaluation	(29,327)	-	-	-	-	-	(29,327)
Balance as at December 31, 2023	<u>-</u>	<u>10,239</u>	<u>9,400</u>	<u>6,141</u>	<u>2,020</u>	<u>-</u>	<u>27,800</u>
Net book value as at December 31, 2023	<u>282,319</u>	<u>3,737</u>	<u>3,503</u>	<u>589</u>	<u>23</u>	<u>3,170</u>	<u>293,341</u>

	Mining equipment \$	Vehicles \$	Facilities \$	Small equipment and tools \$	Computer, radio & office equipment \$	Capital in progress / Spares \$	Total \$
<b>Cost</b>							
Balance as at January 1, 2022	214,050	12,116	12,903	6,257	2,020	3,287	250,633
Additions	22,033	898	-	156	-	900	23,987
Disposals	(5,212)	(867)	-	(17)	-	(2,843)	(8,939)
Revaluation	(12,622)	-	-	-	-	-	(12,622)
Balance as at December 31, 2022	<u>218,249</u>	<u>12,147</u>	<u>12,903</u>	<u>6,396</u>	<u>2,020</u>	<u>1,344</u>	<u>253,059</u>
<b>Accumulated Depreciation</b>							
Balance as at January 1, 2022	-	8,908	8,111	5,515	2,011	-	24,545
Depreciation and impairment	35,750	1,491	644	400	7	-	38,292
Disposals	(365)	(787)	-	(17)	-	-	(1,169)
Revaluation	(35,385)	-	-	-	-	-	(35,385)
Balance as at December 31, 2022	<u>-</u>	<u>9,612</u>	<u>8,755</u>	<u>5,898</u>	<u>2,018</u>	<u>-</u>	<u>26,283</u>
Net book value as at December 31, 2022	<u>218,249</u>	<u>2,535</u>	<u>4,148</u>	<u>498</u>	<u>2</u>	<u>1,344</u>	<u>226,776</u>

Carrying value of right-of-use assets included in the net book value above are as follows: mining equipment - \$84,709 (2022 - \$65,692); facilities - \$1,114 (2022 - \$1,259); vehicles - \$2,825 (2022 - \$2,343); and small equipment and tools - \$413 (2022 - \$154).

**7. INTANGIBLE ASSETS**

Intangible assets include customer relationships that are fully amortized or impaired. No recovery of previously recorded impairment provisions was recorded in 2023 or 2022.

At December 31, 2023 and 2022, intangible assets include fees and costs related to the revolving loans outstanding under the Company's credit facilities. Amortization of \$172 (2022 - \$216) was charged to interest and loan fees in the statement of loss and comprehensive income.

**KMC MINING CORPORATION**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2023**

**8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<u>2023</u>	<u>2022</u>
Trade accounts payable	\$ 11,655	\$ 17,587
Accrued liabilities	5,610	4,823
Other	2,787	2,880
Priority payables	521	1,504
	<u>\$ 20,573</u>	<u>\$ 26,794</u>

**9. CREDIT FACILITIES**

	<u>2023</u>	<u>2022</u>
On July 19, 2019 KMC Mining Corporation entered into a term loan agreement with Fiera Private Debt VI LP for \$63,000 with a maturity date of July 19, 2024. This loan is repayable in monthly instalments of \$715 including interest at 6.5%.	\$ 32,716	\$ 38,952
On September 25, 2019, the Company entered into a revolving operating line of credit agreement with Canadian Western Bank authorized up to a maximum of \$20,000 based on margining requirements, bearing interest at Prime plus 1.75% per annum and subject to standby fees of 0.5% per annum on any unused portion of the credit limit.	9,544	15,774
On August 26, 2020, the Company amended its term loan agreement with Canadian Western Bank and received an additional loan facility of \$6,250 with a maturity date of August 26, 2025. 80% of the loan balance is guaranteed by Export Development Canada for a fee of 1.8% of the guaranteed amount. This loan is repayable in monthly instalments of \$176 plus interest at Prime plus 1.50%.	3,528	5,625
ATB loan repayable in monthly instalments of \$398 plus interest at CORRA plus 3.8% per annum, matures on November 22, 2028. The loans are secured by equipment with carrying amount of \$29,270	25,975	-
ATB loans repayable in monthly total instalments of \$345 including interest at 7.35% per annum, mature between December 2025 and July 2027. The loans are secured by equipment with carrying amount of \$25,339	7,953	-
Caterpillar loans repayable in total monthly instalments of \$172 including interest between 7.75% and 8.75% % per annum, mature between April 2026 and October 2026. The loans are secured by equipment with carrying amount of \$6,675	4,730	-
On September 25, 2019, the Company entered a term loan agreement with Canadian Western Bank for up to \$5,000. This loan is repayable in monthly instalments of \$61 plus interest at prime plus 1.5% per annum, and is due on the maturity date of September 27, 2024.	550	1,307
	<u>84,996</u>	<u>61,658</u>
Amounts due on demand and debt maturing within one year	<u>(53,261)</u>	<u>(61,658)</u>
	<u>\$ 31,735</u>	<u>\$ -</u>

**KMC MINING CORPORATION**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2023**

**9. CREDIT FACILITIES (continued)**

The Company has been provided a letter of credit facility up to \$1,000 (2022 - \$1,000) which bears interest at 1.5% per annum. As at December 31, 2023, no amount has been drawn from this letter of credit (2022 - \$nil).

The Canadian Western Bank credit facilities are collateralized by substantially all the Company's assets, including a first charge on accounts receivable, inventories and property and equipment. As at year-end, the carrying amount of the Company's assets used to collateralize the credit facility agreement was \$306,246 (2022 - \$245,681). Total finance costs recognized under the Company's long-term credit facilities, obligations under finance leases, subordinated promissory notes and preferred shares was \$13,351 (2022 - \$10,296).

**10. LEASE LIABILITIES**

	2023	2022
Opening January 1	\$ 33,934	\$ 32,383
Additions, net of lease buy-outs	57,246	14,033
Leases extinguished	(8,525)	-
Interest expense	3,671	1,473
Lease payments	(22,933)	(13,955)
	63,393	33,934
Amounts payable within one year	(17,720)	(19,886)
	<u>\$ 45,673</u>	<u>\$ 14,048</u>

The leases expire between March 2024 and September 2031. \$62,625 of the lease balance bear interest rates between 1.25% and 10.44% and the remaining lease balance of \$768 bear rates between 12.11% and 27.20%

**11. SUBORDINATED PROMISSORY NOTES DUE TO RELATED PARTIES**

	2023	2022
On September 27, 2019 the Company amended the subordinated promissory note agreement with The Klemke Foundation. The \$41,000 subordinated promissory note bears interest at 4.573%. The total amount of principal and accrued and unpaid interest is due in August 2024.	\$ 47,860	\$ 46,268
On September 27, 2019 the Company amended the subordinated promissory note agreement with KMC Holdings Limited Partnership for the base principal amount of \$7,500. The promissory note bears interest at 4.573%, is repayable in annual instalments of \$2,500, with any accrued and unpaid interest due with the final payment in 2023. \$7,500 of the principal amount is considered past due for repayment	8,699	8,313
On September 27, 2019 the Company amended the subordinated promissory note agreement with KMC Holdings Limited Partnership for the incremental principal amount of \$5,000. The promissory note bears interest at 15% and is considered past due for repayment	8,272	7,158
	64,831	61,739
Amounts payable within one year	(64,831)	(15,470)
	<u>\$ -</u>	<u>\$ 46,269</u>

The balance of the Company's subordinated promissory notes includes accrued interest of \$11,331 (2022 - \$8,238).



**KMC MINING CORPORATION**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2023**

**12. SHARE CAPITAL**

Authorized:

Unlimited	Class A common voting shares
Unlimited	Class B common non-voting shares
Unlimited	Class C common non-voting shares
16,000,000	Non-voting preferred shares

Issued:

Shares presented under equity

	<u>2023</u>	<u>2022</u>
	<i>(Not thousands)</i>	
13,000,000 Class A common shares (2022 - 13,000,000)	\$ 1,300	\$ 1,300
6,650,000 Class B common shares (2022 - 6,550,000)	665	655
1,110,000 Class C common shares (2022 - 1,110,000)	111	111
	<u>\$ 2,076</u>	<u>\$ 2,066</u>

Preferred shares presented under liabilities

3,500,000 Series 1 preferred shares	\$ 3,500,000	\$ 3,500,000
1,000,000 Series 2 preferred shares	1,000,000	1,000,000
5,000,000 Series 3 preferred shares	5,000,000	5,000,000
3,500,000 Series 4 preferred shares	3,500,000	3,500,000
	<u>\$ 13,000,000</u>	<u>\$ 13,000,000</u>

The Class A and B common shares are entitled to receive dividends subject to the prior consent of the holders of the Preferred shares. The Class C common shares are not entitled to dividends.

The preferred shares are non-voting and subordinated to the rights of the Class A common shares. The preferred shares are entitled to dividends that accrue at a rate of 5% per annum, provided however that the dividend entitlement shall be nil from the date the first preferred share is issued to the first anniversary of the initial issue date and nil for any preferred share redeemed prior to 30 months from the initial issue date. At year-end there are accumulated, unpaid and undeclared dividends of \$2,241 (2022 - \$1,525).

During the year 100,000 (2022 - 350,000) Class B common shares were issued.

**13. CONTINGENCIES**

During the normal course of operations, various legal and tax matters are alleged, initiated or pending due legal process. These consolidated financial statements do not include any amounts accrued in respect of such matters as the ultimate losses, if any, are either not currently determinable or are more likely than not to be negligible. In the opinion of management, the ultimate conclusion of these matters will not have a material effect on the Company's financial position or results of operations.

The government subsidies received in the past are subject to audit from the Canada Revenue Agency ("CRA") and as the Legislation on the programs is new, it is unknown how the CRA may interpret the Law and whether that interpretation may have an impact on the amounts recorded in these financial statements or on the Company in the future.

The Northern Lights project is comprised of oil sands leases northwest of McLelland Lake and contain oil reserves of approximately 1.3 billion barrels identified through a drilling program. By virtue of early financial support by the Company, certain exclusive earthworks and mining rights were granted to the Company which are perpetual and attached to the leases. Based on current ownership of the leases and their proximity to other active projects, management believes future development of the project is more likely than not. Should this project proceed, it would represent a significant revenue opportunity for the Company.

**KMC MINING CORPORATION**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2023**

**14. OPERATING EXPENSES BY NATURE**

	<u>2023</u>	<u>2022</u>
Labour, benefits and contractor labour	\$ 64,097	\$ 71,806
Equipment operating and maintenance costs	34,004	28,723
Shop and safety supplies	4,064	2,561
Insurance	2,658	2,436
Other	423	411
	<u>105,246</u>	<u>105,937</u>
Direct costs	\$ 105,246	\$ 105,937
Salaries, wages and benefits	\$ 9,531	\$ 9,600
Professional fees and office expenses	951	1,268
Other	827	886
	<u>11,309</u>	<u>11,754</u>
Administrative and general expenses	\$ 11,309	\$ 11,754

**15. INCOME TAXES**

The Company's effective income tax (recovery) expense consists of the following:

	<u>2023</u>	<u>2022</u>
Statutory federal and provincial tax rate	23.0 %	23.0 %
Expected income tax (recovery) expense	(1,470)	(5,698)
(Decrease) increase in income taxes resulting from:		
Non-deductible (taxable) items	13	32
	<u>(1,457)</u>	<u>(5,666)</u>
Income tax expense	\$ (1,457)	\$ (5,666)

Significant components of the Company's deferred income tax assets and (liabilities) are as follows:

	<u>2023</u>	<u>2022</u>
Property and equipment differences	\$ (49,233)	\$ (38,352)
Tax loss carryforwards	39,751	31,997
Finance charges	(3)	10
Undeducted bonus payable	-	67
	<u>(9,485)</u>	<u>(6,278)</u>
Deferred income taxes liabilities	\$ (9,485)	\$ (6,278)

The Company has concluded that the recognized deferred tax assets are more likely than not to be recovered to offset any taxable income from reversing taxable timing differences. This estimate will be updated in future periods, which may result in an increase or decrease in the amount of deferred tax assets recognized based on the amount judged more likely than not to be recoverable. As the deferred tax assets and the deferred tax liabilities related to income taxes levied by the same taxation authority on the same taxable entity, the deferred tax assets and liabilities have been offset and presented on a net basis.

During the year, \$4,664 (2022 - \$5,254) has been charged to accumulated comprehensive income as it relates to the tax impact of the revaluation surplus.

The Company has tax losses of \$172,829 (2022 - \$139,116) available for carryforward to future years. The losses expire as follows: 2034 - \$4; 2036 - \$7,481; 2037 - \$39,462; 2038 - \$24,524; 2039 - \$6,514; 2040 - \$35,276; 2041 - \$11,234; 2402 - \$14,621 and 2043 - \$33,713.

**KMC MINING CORPORATION**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2023**

**16. RELATED PARTY BALANCES AND TRANSACTIONS**

Management fees of \$1,639 (2022 - \$1,095) are included in administrative and general expenses and were charged during the period by shareholders and executive management of the Company. The management fees are recorded at exchange amounts as determined by the parties. Included in accounts payable is \$330 (2022 - \$270) of management fee owing to these shareholders and executive management at year-end.

The Company has identified the executive officers as key management personnel to the Company in addition to the members of the Board of Directors. The Company's directors receive no compensation for their services but do receive reimbursement of their out-of-pocket expenses incurred to attend Board of Directors meetings. Salaries and benefits in aggregate for the key management personnel were \$1,173 (2022 - \$487).

**17. CHANGES IN NON-CASH WORKING CAPITAL**

	2023	2022
Accounts receivable	\$ 3,885	\$ 86
Inventories	(380)	(14)
Prepaid expenses and deposits	(210)	2,865
Accounts payable	(6,221)	(8,637)
Contract liability	(608)	608
	\$ (3,534)	\$ (5,092)

**18. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

The Company's activities expose it to a variety of financial risks including interest rate risk, foreign exchange risk, credit risk, liquidity risk and market risk. Management reviews these risks on an ongoing basis to ensure that the risks are appropriately managed. From time to time the Company has put interest rate swap contracts in place to manage exposure to fluctuations in interest rates.

*Interest rate risk*

The Company is exposed to interest rate fluctuations with its floating rate debt facilities such that changes in interest rates could significantly affect the amount of interest expense and cash flows. A 0.5% increase or decrease in interest rates would have resulted in a decrease or increase in income before income taxes of \$81 (2022 - \$84).

The Company utilizes interest swap contract to manage interest rate risk. As at December 31, 2023, the Company has an interest swap contract in place to fix the CORRA portion of the ATB loan as disclosed in Note 9 at 3.7%, therefore, the interest rate is fixed at 7.5% per annum. This interest swap contract expires on December 22, 2028. Given the CORRA rate as at December 31, 2023, there is a notional loss inherent in the interest swap contract of approximately \$353.

*Foreign exchange risk*

Certain equipment and inventory purchases are incurred in U.S. dollars. The Company's exchange rate risk primarily reflects the impact of fluctuating exchange rates on outstanding equipment purchase obligations. The effect of a change in exchange rates would affect exchange gains or losses recorded on outstanding US. dollar denominated obligations. Changes in historical exchange rates would have impacted the initial cost of acquired equipment and, therefore, the amortization expense recorded over a number of years and direct costs for a period. Due to the infrequent timing of such equipment purchases and the amortizing nature of most of these purchases, it is difficult to estimate the effect of this risk on the operations of the Company had exchange rates been significantly different during the year.

**KMC MINING CORPORATION**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2023**

**18. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)**

*Credit risk*

The maximum exposure to credit risk is represented by the carrying amount of accounts receivable. The credit risk related to accounts receivable results from the possibility of customers defaulting on payment of these accounts. The Company performs ongoing credit evaluations and maintains allowances for potential credit losses when necessary. The Company's exposure to loss is concentrated as substantially all the Company's business is conducted with one group of customers, all of which are well-established, large entities with operations in the oil sands region. If one of these customers were to default, it would have a material adverse impact on the operations and cash flows of the Company. As at December 31, 2023, one group of customers accounted for \$11,263 (2022 - one group of customers accounted for \$15,493) of accounts receivable.

The Company considers trade accounts receivable outstanding for 60 days or more to be past due given the standards of the oil sands industry. There is no significant amount considered past due or impaired as all amounts are reasonably assured of collection given the status of the Company's customers.

The aging of trade accounts receivable as at year-end is as follows:

	2023	2022
1 - 60 days	\$ 10,690	\$ 12,455
61 - 90 days	-	951
Over 90 days	1,471	901
	<u>\$ 12,161</u>	<u>\$ 14,307</u>

*Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities as they become due. The Company's objective related to liquidity risk is to effectively manage cash flows to minimize such exposure. Management does so by maintaining adequate cash and cash equivalent balances, appropriately utilizing available credit facilities and by arranging appropriate levels of financing to support growth in the Company's operations. Management believes that forecasted cash flows from operating activities, along with available borrowings under its credit facilities, will provide sufficient cash to cover normal operating and capital expenditures.

The following are the undiscounted contractual maturities of financial liabilities excluding future interest:

	Carrying amount	2024	2025	2026	2027	2028
Accounts payable and accrued liabilities	\$ 20,573	\$ 20,573	\$ -	\$ -	\$ -	\$ -
Lease liabilities	63,393	17,720	16,519	17,540	11,073	541
Long-term debt	84,996	53,261	10,410	4,722	3,788	12,815
Subordinated debt	64,831	64,831	-	-	-	-
Preferred shares	13,000	13,000	-	-	-	-
Total	<u>\$ 246,793</u>	<u>\$ 169,385</u>	<u>\$ 26,929</u>	<u>\$ 22,262</u>	<u>\$ 14,861</u>	<u>\$ 13,356</u>

*Market Risk*

The Company's primary customer base is involved in the oil and gas sector in Western Canada and as such the Company's revenues are exposed to fluctuations in prices for natural gas, crude oil and natural gas liquids. Commodity prices are affected by many factors including supply, demand and the Canadian and U.S. dollar exchange rate.

**KMC MINING CORPORATION**  
**Notes to Consolidated Financial Statements**  
**Year Ended December 31, 2023**

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**18. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT** *(continued)*

*Fair value of non-derivative financial instruments*

The Company's financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, amounts outstanding under the Company's credit facilities, subordinated promissory notes and preferred shares.

The fair value of cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities approximate their carrying amounts due to their short terms to maturity based on established credit terms, collection/payment arrangements and contractual work completion requirements. The fair value of certain of the Company's amounts drawn on its credit facilities approximate their carrying amounts as floating market interest rates and the margins charged by the Company's lender reflect current market rates. Similarly, the carrying values of amounts drawn on credit facilities at fixed rates, subordinated promissory notes and preferred shares approximate their fair value on a discounted cash flow basis because these obligations bear interest at rates that approximate market rates.

**19. CAPITAL RISK MANAGEMENT**

The Company's objectives when managing capital are to: (a) fund future growth initiatives including the acquisition of new equipment and facilities; and (b) provide financial flexibility in order to meet financial obligations and seize potential business opportunities as they arise. The Company uses a combination of debt (obligations under leases, bank operating and term facilities, subordinated debt and preferred shares) and equity (common shares and retained earnings) to meet these two objectives. An appropriate mix of debt and equity is used to maximize equity returns within the confines of an appropriate level of risk.

**20. SUBSEQUENT EVENTS**

Subsequent to the year-end, the Company entered into a loan in the amount of \$1,816 to finance a major upgrade to two pieces of mining equipment. The loan bears interest at 8.75% and is repayable in monthly instalments of \$159.

Subsequent to the year-end, the Company has been awarded a three-year regional services contract by a major producer in the Canadian oil sand region. The contract contemplates the provision of services across various mine sites operated by the producer.

The Company has a requirement to refinance approximately \$29,400 of debt maturing in July 2024. Subsequent to year-end, the Company has entered into discussions with lenders to obtain a new credit facility in order to refinance this amount and expand its overall access to capital. While a definitive agreement has not been reached as of the date of these financial statements, a letter of intent and term sheet have been negotiated and indications are that a new and expanded lending facility will be in place before the debt matures.

This is **Exhibit "G"** referred to in the Affidavit  
of BRYN JONES sworn before me  
on the **31<sup>st</sup>** day of December, 2024.



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A Commissioner for Oaths in and for  
the Province of Alberta

**Roscoe Gee**  
**Student-At-Law**

**KMC MINING CORPORATION**  
**Balance Sheet**  
**As of September 30, 2024**  
(Stated in Thousands of Canadian dollars)

	2024 Actuals (un-audited)	2023 Actuals (audited)
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 729	\$ 273
Accounts Receivables	9,556	16,455
Inventories	18,449	14,256
Prepaid Expenses and Deposits	559	588
	<u>29,293</u>	<u>31,571</u>
<b>INVESTMENTS</b>	-	(10,696)
<b>PROPERTY AND EQUIPMENT</b>	264,096	245,877
<b>ASSETS HELD FOR SALE</b>	3,852	2,303
<b>INTANGIBLE ASSETS AND DEFERRED FINANCING FEES</b>	<u>2,400</u>	<u>145</u>
	<u>\$ 299,641</u>	<u>\$ 269,200</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts Payable and Accrued Liabilities	26,141	17,790
Operating Loan	\$ 2,100	\$ 6,732
	<u>28,241</u>	<u>24,523</u>
<b>LONG-TERM</b>		
Term Debt	103,516	48,094
Lease Liabilities	53,986	68,611
Deferred Income Tax	9,485	6,278
Subordinated Promissory Notes	49,588	63,984
Due to KFMF Joint Venture	-	-
	<u>244,816</u>	<u>211,490</u>
<b>SHAREHOLDERS' EQUITY</b>		
Share Capital	2	2
Preferred Shares	13,000	13,114
Retained Earnings	41,824	44,594
	<u>54,826</u>	<u>57,711</u>
	<u>\$ 299,641</u>	<u>\$ 269,200</u>

**KMC MINING CORPORATION**  
**Income Statement**  
**For 9 Months Ending September 30, 2024**  
**(Stated in Thousands of Canadian dollars)**

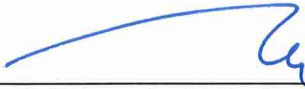
	2024 Actual (un-audited)	2023 Actual (audited)
REVENUE	\$ 126,407	\$ 122,939
OPERATION COSTS		
Labour	20,343	21,539
Light Duty Vehicle Expenses	125	138
Outside Rentals	13,168	11,642
Tires	2,620	2,969
Contract Expenses	1,824	500
Own Equip Costs	-	-
Damage	(600)	714
	30%	31%
	37,481	37,501
MAINTENANCE COSTS		
Labour	15,485	15,325
Contract Labour	15,930	11,005
Light Duty Vehicle Expenses	693	576
Repairs	9,487	6,683
Associated Components	226	429
Shop Expenses	1,702	1,698
Welding Supplies	498	442
Fuel/Oil/Greases	2,508	1,885
Freight	210	73
Inventory Adj	(134)	331
Restocking	-	3
	37%	31%
	46,605	38,451
GROSS MARGIN	33%	38%
	42,321	46,986
SELLING, GENERAL AND ADMINISTRATIVE COSTS		
Salaries	8,175	6,869
Insurance	2,143	1,980
Light Duty Vehicle Expenses	4	2
Taxes/Licences	34	30
Leases	0	-
Admin	1,717	1,019
Other	-	-
Employee Relations	77	114
Safety Supplies	502	368
Training	125	124
Taxi	24	47
Team meetings	-	2
	10%	9%
	12,800	10,554
EBITDA	\$ 29,521	\$ 36,433
OTHER INCOME / EXPENSE		
Interest	12,510	9,963
Depreciation	31,872	23,099
Other	3,285	8,063
	47,667	41,125
NET INCOME	\$ (18,146)	\$ (4,692)



**KMC MINING CORPORATION**  
**Cash Flow Statement**  
**For 9 Months Ending September 30, 2024**  
**(Stated in Thousands of Canadian dollars)**

	2024 Actuals (un-audited)	2023 Actuals (audited)
<b>OPERATING ACTIVITIES</b>		
Comprehensive Income	\$ (18,146)	\$ (4,692)
Items not Affecting Cash		
Depreciation	31,872	23,099
Loss/Gain on Sale	2,925	8,069
	<u>16,652</u>	<u>26,476</u>
Changes in non-cash working capital		
Accounts Receivable	8,899	5,103
Inventory	(4,919)	(2,931)
Prepays	(378)	(441)
Accounts Payable	28	(4,702)
	<u>3,630</u>	<u>(2,972)</u>
Cash Flow from Operating Activities	<u>20,282</u>	<u>23,504</u>
<b>INVESTING ACTIVITIES</b>		
Investments JV	-	-
Asset Additions	(5,892)	(44,768)
Net Proceeds	(6,683)	(9,149)
Intangibles	(2,072)	129
	<u>(14,646)</u>	<u>(53,788)</u>
Cash Flow from Investing Activities	<u>(14,646)</u>	<u>(53,788)</u>
<b>FINANCING ACTIVITIES</b>		
Operating Loan	(7,444)	(9,041)
Leases	(9,406)	34,677
Equity	-	114
LTD	28,064	2,209
Sub debt	(15,243)	2,246
	<u>(4,029)</u>	<u>30,206</u>
Cash Flow from Financing Activities	<u>(4,029)</u>	<u>30,206</u>
<b>(DECREASE) INCREASE IN CASH</b>	<b>1,607</b>	<b>(78)</b>
<b>CASH - BEGINNING</b>	<b>(878)</b>	<b>351</b>
<b>CASH - END</b>	<b>\$ 729</b>	<b>\$ 273</b>

This is **Exhibit "H"** referred to in the Affidavit  
of BRYN JONES sworn before me  
on the **31<sup>st</sup>** day of December, 2024.



---

A Commissioner for Oaths in and for  
the Province of Alberta

**Roscoe Gee**  
**Student-At-Law**

Products / Excavators / Surface mining excavators / PC8000-11

Surface mining excavator

# PC8000-11

Horsepower	2 x 2,010 HP @ 1,800 rpm
Operating weight	829 - 852 st
Bucket capacity	55 yd <sup>3</sup>

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## Precision, productivity and longevity

When you need to cycle through large loads, the PC8000 has you covered. It was designed with input from mining operations around the globe to maximize productivity with 240-400 st trucks.

Customizable for your operation

Rigorously engineered for durability

Sustainable, efficient Tier 4 Final engine

## Features and benefits



**Safeguard your operators and work site**

Operator and work site safety are a priority. Komatsu hydraulic excavators have an LED screen to give your operator a 360-degree view, each meet ISO 10262, 6394, 10263-4 safety standards, and all include anti-slip gratings, easy ingress/egress and an innovative emergency escape system.



**Customized to your operation**

While Komatsu shovels and backhoes meet the density benchmark of 1.8 t/m<sup>3</sup>, you have the option to customize your machine to the bucket size and wear package you need, and choose your heating/cooling systems, travel gear protections, special track pad variations and more.



**Sustainable, powerful engines**

Tier 4 engines deliver plenty of power with outstanding sustainability. An exhaust after-treatment system reduces particulate matter, sulfur oxides and dangerous NOx, and easy servicing of emissions components.



**The choice for your biggest jobs**

Whether in shovel or backhoe configuration, the PC8000 is designed to deliver the highest production from trucks 240 tons and higher. With up to a 42m<sup>3</sup> bucket available, it has the potential to give your mining operation a significant productivity boost.

Specifications for PC8000-11

US system      Metric

Expand all

**Diesel drive**

**Electric drive**

**Electrical system**

**Undercarriage**

**Travel and brake system**

**Swing system**

**Environment**

**Hydraulic system**

**Automatic lubrication system**

**Capacities**

**Operator cab**

**Komtrax Plus Health Monitoring System**

Support you can count on

**Excavator buckets**

Designed to enhance your excavator and wheel loader productivity in mining and quarry applications.

**Kprime Tooth System**

The Kprime Tooth System for mining is engineered for high performance, ease of use and extended periods between tooth changes in challenging mining applications.

**Mining track shoes**

Track shoes penetrate the ground giving the machine traction to move — proper shoe selection is important for optimum machine performance and long undercarriage life.

Technology that works as hard as you do

Argus
ProVision
MineCare
DISPATCH
Telematics
KomVision



The Argus Payload Monitoring System weighs each bucket in real-time, which helps eliminate the need to stop and calculate payload before loading the truck. Immediate feedback promotes loading accuracy, while peer benchmarking works to reinforce best practices to improve operator performance.

[Learn more](#)

Related products



**PC4000-11**

Horsepower	1,875 HP @ 1,800 rpm
Operating weight	433 - 451 st
Bucket capacity	29 yd <sup>3</sup>



**PC5500-11**

Horsepower	2 x 1,260 HP @ 1,800 rpm
Operating weight	588 - 608 st
Bucket capacity	38 yd <sup>3</sup>



**PC7000-11**

Horsepower	2 x 1,675 HP @ 1,800 rpm
Operating weight	747 - 771 st
Bucket capacity	50 yd <sup>3</sup>

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United States - English

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Products / Trucks / Electric drive mining trucks / 930E-5

Electric drive mining truck

# 930E-5

Gross horsepower	2,700 HP @ 1,800 rpm
Operating weight	1,150,000 lbs.
Capacity	320 st

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Every part focused on productivity

Every aspect of this truck is rigorously engineered to help reduce your cost per ton. From multiple innovative fuel-saving features to industry-leading build quality and longevity, count on it being up to the challenge for years even in harsh conditions.

On-demand cooling

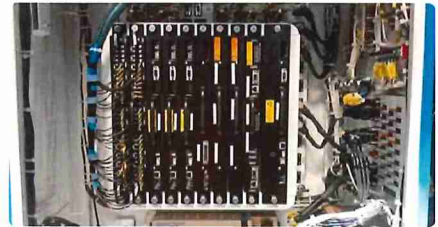
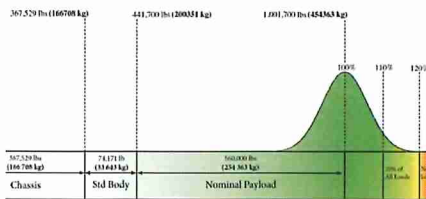
Tier IV certified engine

Automotive-style operator cab

3-5% fuel savings\*

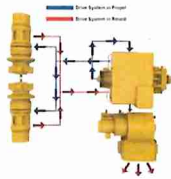
\*versus prior Komatsu model

## Features and benefits



**Monitor efficiency with payload data**

Payload Meter IV can help you increase production by optimizing payload, maximizing cycle efficiency and reducing the life cycle costs of your machine. Standard on Komatsu off-highway trucks, PLM IV tracks carry weight, haul cycles, speed data and much more.



**Controls help improve driver awareness**

Cruise control governs both acceleration and deceleration, allowing operators to concentrate on steering and situational awareness while maintaining a constant speed. Using simple automotive-style controls, drivers can “set it and forget it.”



**Promotes a safe work site**

Multiple technologies help your operators maintain a safe working environment. That includes not only traction and cruise controls, but also KomVision, an optional monitoring system that uses six cameras and eight radars to create a 360-degree view of the area around the truck.

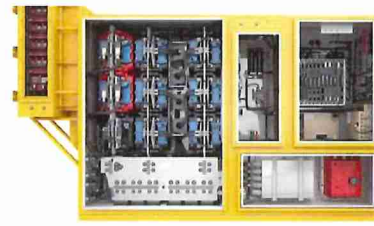
**Traction control for firmer footing**

Help your drivers stay on task and operate efficiently even in slippery conditions. Wheel traction control technology detects and corrects wheel spin or slide events and operates automatically and independently of the service brakes.



**Customized for your operation**

Every truck body is stringently engineered to meet the requirements for a specific application while carrying its rated payload. We'll work with you to understand the material properties at your mine site and identify the appropriate liner package.



**Multiple fuel-reducing technologies**

The less fuel you use, the longer your engine lasts. That's why the engine and drive systems of Komatsu trucks are specifically tuned together to seek efficient power usage while minimizing fuel consumption, including optimized air handling with two stage turbocharging.

**Multiple advantages of electric drive**

Electric drive means fewer mechanical components and less maintenance, which can help improve truck availability and lower life cycle cost. With the Tier 4 certified diesel engine, electric drive also keeps fuel use low and contributes to a smaller carbon footprint.



**Structurally enhanced frame**

When cycling through big loads, durability is everything. Created using advanced computer-aided design, finite element analysis, and full-scale dynamic testing, the truck's frame has been verified to carry rated payload with utmost structural reliability.



**Modular design means more uptime**

Elegant, modular design throughout helps keep your truck on the job by enabling quick repair and replacement of major power train and hydraulic parts and making routine maintenance fast and easy.

Specifications for 930E-5

Full specifications    Standard equipment    Optional equipment

US system    Metric



Expand all

**Engine**

**Electric Drive**

**Tires and Rims**

**Cab**

**Suspension**

**Frame**

**Body**

**Braking System**

**Cooling System**

**Hydraulic System**

**Electrical System**

**Service Capacities**

**Weight Distribution**

## Support you can count on

### **Autonomous Haulage System Retrofit**

Designed to convert your current fleet to autonomous capabilities without the full capital investment of new autonomous machines.

### **Smart rims**

Designed to allow maintenance personnel to install and remove the rear tires in the rear axle without having to remove the rim.

### **My Komatsu**

Access and manage all your machine telematics data, parts manuals, service manuals, software and parts ordering information from a single source anywhere, anytime.

Technology that works as hard as you do

DISPATCH

MineCare

ProVision Guided Spotting

Autonomous Haulage marks 10 years in the market



The DISPATCH Fleet Management System (FMS) helps mines achieve enhanced load and haul cycle efficiency and productivity through its proprietary optimization algorithm. The DISPATCH FMS provides mines with increased potential for end-to-end monitoring of production and auxiliary equipment, improved compliance with planning objectives, shorter hang/queue times and more. [Learn more](#)

## Gallery

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## Related products



**WE1850**

Horsepower	2,000 HP
Operating weight	590,000 lbs.
Bucket capacity	40 - 43 yd <sup>3</sup>



**930E-5SE**

Gross horsepower	3,500 HP @ 1,800 rpm
Operating weight	1,150,000 lbs.
Capacity	320 st

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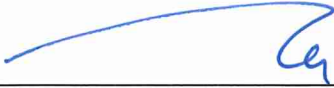
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This is **Exhibit "I"** referred to in the Affidavit of BRYN JONES sworn before me on the **31<sup>st</sup>** day of December, 2024.



---

A Commissioner for Oaths in and for the Province of Alberta

**Roscoe Gee**  
**Student-At-Law**

**CDN.\$104,000,000  
EXTENDIBLE NON-REVOLVING TERM CREDIT FACILITY**

**and**

**CDN.\$16,000,000  
EXTENDIBLE NON-REVOLVING DELAYED DRAW TERM CREDIT FACILITY**

**and**

**CDN.\$20,000,000  
EXTENDIBLE REVOLVING CAPEX CREDIT FACILITY**

**and**

**CDN.\$20,000,000  
EXTENDIBLE REVOLVING OPERATING CREDIT FACILITY**

**CREDIT AGREEMENT**

**among**

**KMC MINING CORPORATION  
(as Borrower)**

**- and -**

**THE FINANCIAL INSTITUTIONS FROM TIME TO TIME PARTY HERETO  
(as Lenders)**

**- and -**

**ATB FINANCIAL  
(as Administrative Agent for the Lenders)**

**- with -**

**ATB FINANCIAL and CANADIAN WESTERN BANK  
(as co-Lead Arrangers)**

**- and -**

**ATB FINANCIAL  
(as Sole Bookrunner)**

**August 13, 2024**

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THIS CREDIT AGREEMENT is dated August 13, 2024.

AMONG:

KMC MINING CORPORATION, as Borrower

AND:

ATB FINANCIAL, CANADIAN WESTERN BANK, EXPORT DEVELOPMENT CANADA, LAURENTIAN BANK OF CANADA AND THE OTHER FINANCIAL INSTITUTIONS NAMED IN ASSIGNMENT AND ASSUMPTIONS FROM TIME TO TIME, in their capacities as Lenders

AND:

ATB FINANCIAL, in its capacity as Administrative Agent

WHEREAS the Borrower has requested and the Lenders have agreed to establish certain secured credit facilities on the terms and conditions set forth herein, and ATB has agreed to act as Administrative Agent for the Lenders under such credit facilities;

NOW THEREFORE, in consideration of the premises, the covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each of the parties hereto, the parties agree as follows:

## ARTICLE 1 INTERPRETATION

### 1.1 Definitions

In this Agreement, including the recitals and the Schedules hereto and in all notices pursuant to this Agreement, unless something in the subject matter or context is inconsistent therewith, the following words and phrases shall have the following meanings:

"Acceleration Notice" has the meaning ascribed to it in Section 10.2(b);

"Accommodations" means:

- (a) the advance of Loans by the Lenders under the Term Facility (the "**Term Accommodations**");
- (b) the advance of Loans by the Lenders under the Delayed Draw Facility (the "**Delayed Draw Accommodations**");
- (c) the advance of Loans by the Lenders under the Capex Facility (the "**Capex Accommodations**");  
and

- (d) the advance of Loans by the Lenders and the issuance of Letters of Credit by the Fronting Lender at the request of the Borrower, in each case, under the Operating Facility (the "**Operating Accommodations**");

"**Account Debtor**" means any Person who is obligated to pay an Account Receivable to a Loan Party;

"**Account Receivable**" means any right of a Loan Party to payment for services rendered or goods sold in the ordinary course of business classified as an account receivable in accordance with GAAP;

"**Accounts**" means the accounts and records established by the Administrative Agent pursuant to Section 4.7 to record the Borrower's liability to each of the Lenders in respect of the Borrowings and other amounts outstanding by the Borrower to each of the Lenders and the Administrative Agent hereunder;

"**Acquisition**" means, with respect to any Person, any purchase or other acquisition, regardless of how accomplished or effected (including any such purchase or other acquisition effected by way of amalgamation, merger, arrangement, business combination or other form of corporate reorganization or by way of purchase, lease or other acquisition arrangements), of: (a) such number of the issued and outstanding securities of, or such portion of an Equity Interest in, such other Person that such other Person becomes a Subsidiary of the purchaser or of any of its Affiliates, (b) all or substantially all of the Property of any other Person, or (c) any division, business or operation of any other Person or of all or substantially all of the Property of any division, business or operation of any other Person;

"**Adjusted Daily Compounded CORRA**" means, for purposes of any calculation, the rate per annum equal to (a) Daily Compounded CORRA for such calculation, plus (b) the CORRA Adjustment; provided that, if Adjusted Daily Compounded CORRA as so determined for any day shall be less than the Floor, then Adjusted Daily Compounded CORRA shall be deemed to be the Floor for such day;

"**Adjusted Daily Simple SOFR**" shall mean an interest rate per annum equal to (a) Daily Simple SOFR, plus (b) 10 bps; provided that if Adjusted Daily Simple SOFR as so determined for any day shall ever be less than the Floor, then Adjusted Daily Simple SOFR shall be deemed to be the Floor for such day;

"**Adjusted Term CORRA**" means, for purposes of any calculation, the rate per annum equal to (a) Term CORRA for such calculation, plus (b) the CORRA Adjustment; provided that, if Adjusted Term CORRA as so determined for any day shall be less than the Floor, then Adjusted Term CORRA shall be deemed to be the Floor for such day;

"**Adjusted Term SOFR**" means, for purposes of any calculation, the rate per annum equal to (a) Term SOFR for such calculation, plus (b) the Term SOFR Adjustment; provided that if Adjusted Term SOFR as so determined for any day shall be less than the Floor, then Adjusted Term SOFR shall be deemed to be the Floor for such day;

"**Adjustment Time**" means the time of occurrence of the last event necessary (being either the delivery of a Demand for Payment or the occurrence of a Termination Event) to ensure that all amounts secured by the Security are thereafter due and payable and such time shall conclusively be:

- (a) in the case where such last event is the delivery of a Demand for Payment, the time of delivery for such Demand for Payment or, where not delivered as required within a time period specified in Section 10.3, then the last day of such time period; and

- (b) in the case where such last event is the occurrence of a Termination Event, the time of occurrence of such Termination Event determined pursuant to the provisions of the applicable Credit Document giving rise to such Termination Event;

"**Administrative Agent**" means ATB and any successor entity to ATB when acting in its capacity as administrative agent hereunder and includes any successor administrative agent appointed pursuant to Section 12.6;

"**Administrative Agent Parties**" has the meaning ascribed to it in Section 14.7(d)(ii);

"**Administrative Agent's Account for Payments**" means:

- (a) for all payments in Canadian Dollars, the following account maintained by the Administrative Agent to which payments and transfers are to be effected as follows:

ATB Financial  
102 - 8<sup>th</sup> Avenue S.W., Calgary, Alberta T2P 1B3  
Swift Code: ATBRCA6EXXX  
Bank Code and Transit: 02190-07609  
Beneficiary Account Name: CAD Syndication Agency Suspense  
Beneficiary Account No.: 00127091500  
Beneficiary Account Address: 102 - 8th Avenue SW Calgary, AB, T2P 1B3  
Ref: Attn: Syndications Agency, ATB Capital Markets for KMC Mining Corporation

- (b) for all payments in U.S. Dollars, the following account maintained by the Administrative Agent to which payments and transfers are to be effected as follows:

Bank of America - New York  
100 W 33rd Street, New York, New York, USA 10001  
SWIFT: BOFAUS3NXXX, ABA. 026009593  
Beneficiary/for the account of: ATB Financial  
Beneficiary Account No.: 021907609 00127092300  
102 - 8<sup>th</sup> Avenue SW Calgary, AB, T2P 1B3  
For further credit to: USD Syndication Agency Suspense  
02190-07609 00127092300  
Ref: Attn: Syndications Agency, ATB Capital Markets for KMC Mining Corporation

or such other places or accounts as may be agreed upon by the Administrative Agent and the Borrower from time to time and notified in writing to the Lenders;

"**Administrative Agent's Branch of Account**" means the office of the Administrative Agent located at the address set forth opposite the Administrative Agent's name on the signature pages to this Agreement or such other office or branch of the Administrative Agent in Canada as the Administrative Agent may from time to time advise the Borrower and the Lenders in writing;

"**Administrative Questionnaire**" means an Administrative Questionnaire in a form supplied by the Administrative Agent;

"**Affected Financial Institution**" means (a) any EEA Financial Institution or (b) any UK Financial Institution;

"**Affected Lender**" has the meaning ascribed to it in Section 11.3(b);

"**Affiliate**" means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified;

"**Agreement**" means this credit agreement, all Schedules attached hereto and any future amendments, amendments and restatements, replacements or supplements hereto or thereto;

"**AML/KYC Legislation**" has the meaning ascribed to it in Section 14.11(a);

"**Anti-Corruption Laws**" means all laws concerning or relating to bribery or public corruption, including the *Corruption of Foreign Public Officials Act* (Canada), the UK Bribery Act, the FCPA and any similar laws currently in force or hereafter enacted (and including any regulations, rules, guidelines or orders thereunder) and, in any case, which are applicable to the Borrower, any Subsidiary, any Lender or Affiliate thereof, or the Administrative Agent;

"**Anti-Money Laundering/ Anti-Terrorist Financing Laws**" means all laws concerning or relating to money laundering or terrorist financing, including the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada), the *United Nations Act* (Canada), the *Criminal Code* (Canada), the *Bank Secrecy Act*, 31 U.S.C. sections 5301 et seq., the *Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001*, Pub. L. 107-56 (a/k/a the USA Patriot Act), *Laundering of Monetary Instruments*, 18 U.S.C. section 1956, *Engaging in Monetary Transactions in Property Derived from Specified Unlawful Activity*, 18 U.S.C. section 1957, the *Financial Recordkeeping and Reporting of Currency and Foreign Transactions Regulations*, 31 C.F.R. Chapter X (Parts 1000 et. seq.) and any similar laws currently in force or hereafter enacted (and including any regulations, rules, guidelines or orders thereunder) and, in any case, which are applicable to the Borrower, any Subsidiary, any Lender or Affiliate thereof, or the Administrative Agent;

"**Applicable Law**" means, in relation to any Person, Property, transaction or event, all applicable provisions (or mandatory applicable provisions, if so specified) of federal, provincial, state or local laws, statutes, rules, regulations, official directives and orders of all Governmental Authorities and Governmental Actions in actions or proceedings in which the Person in question is a party or by which it is bound or having application to the Person, Property, transaction or event;

"**Applicable Margin**" means a margin, expressed as a rate per annum, payable to the Administrative Agent on behalf of all of the Lenders with respect to Borrowings or the Standby Fee Rate, equal to the rate set forth in the table below for the applicable Senior Net Debt to EBITDA Ratio:

Level	Senior Net Debt to EBITDA Ratio	Prime Loans and U.S. Base Rate Loans (bps)	CORRA Loans, SOFR Loans and Financial LCs (bps)	Non-Financial LCs (bps)	Standby Fees (bps)
I	<1.00 to 1.00	75	175	116.67	35
II	≥1.00 to 1.00 and <1.50 to 1.00	100	200	133.33	40
III	≥1.50 to 1.00 and <2.00 to 1.00	125	225	150	45
IV	≥2.00 to 1.00 and <2.50 to 1.00	150	250	166.67	50
V	≥2.50 to 1.00 and <3.00 to 1.00	175	275	183.33	55
VI	≥3.00 to 1.00 and <3.50 to 1.00	225	325	216.67	65

VII	≥3.50	250	350	233.33	70
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provided that:

- (a) changes in the Applicable Margin shall be effective and adjusted in accordance with Section 5.11;
- (b) as at the Effective Date, the Applicable Margin shall be set at the applicable Level on the basis of the Senior Net Debt to EBITDA Ratio disclosed in the *pro forma* Compliance Certificate delivered pursuant to Section 8.1(c)(vii) and shall remain at such Level until redetermined in accordance with Section 5.11;
- (c) for the purposes of calculating the Applicable Margins for Prime Loans, U.S. Base Rate Loans and CORRA Loans, the per annum rate is expressed on the basis of a 365-day year, as applicable, and the Applicable Margin for SOFR Loans is calculated as a per annum rate expressed on the basis of a 360-day year; and
- (d) without duplication of interest on overdue amounts as provided in Section 5.6, the occurrence and during the continuance of any Borrowing Base Shortfall or Event of Default, each of the above Applicable Margins (other than for standby fees) will increase by 200 bps;

"**Applicable Percentage**" means, subject to adjustment as required for Swing Line Borrowings made solely by the Swing Line Lender pursuant to Section 3.14, (a) at any time prior to the Adjustment Time with respect to each Lender and each Facility and the Facilities, as applicable, the proportion that such Lender's aggregate Commitment in respect of such Facility or all of the Facilities bears to the amount of the total Commitments of all Lenders in respect of such Facility or to the Total Commitment, as applicable, at such time and, if such total Commitment in respect of any such Facility is cancelled or terminated, "**Applicable Percentage**" shall mean the Applicable Percentage of such Lender in effect immediately prior to such cancellation or termination; and (b) after the Adjustment Time, the Applicable Percentage of each Lender shall be calculated based on its Commitment as a proportion of the Total Commitment and without any distinction as to which Facility may be relevant to such Lender;

"**Applicable Percentage of the Total Commitment**" means in respect of each Lender, the proportion that such Lender's Commitment bears to the Total Commitment;

"**Approved Fund**" means any Person (other than a natural Person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its activities that is administered or managed by:

- (a) a Lender;
- (b) an Affiliate of a Lender; or
- (c) an entity or an Affiliate of an entity that administers or manages a Lender;

"**Assignment and Assumption**" means an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by Section 13.1), and accepted by the Administrative Agent, substantially in the form of Schedule "F" or any other form approved by the Administrative Agent;

"**ATB**" means ATB Financial and its successors and permitted assigns;

**"Available Tenor"** means, as of any date of determination and with respect to a then-current Benchmark, as applicable, (a) if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an Interest Period or (b) otherwise, any payment period for interest calculated with reference to such Benchmark (or any component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark pursuant to this Agreement, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Interest Period" pursuant to Section 11.5(a)(iv);

**"Bail-In Action"** means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution;

**"Bail-In Legislation"** means:

- (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation, rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule; and
- (b) with respect to the United Kingdom, Part I of the *United Kingdom Banking Act 2009* (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their respective Affiliates (other than through liquidation, administration or other insolvency proceedings);

**"BBS Cure Period"** has the meaning ascribed to it in Section 3.7(c);

**"Benchmark"** means, initially, (a) in respect of any SOFR Loan, the Term SOFR Reference Rate, (b) in respect of any Term CORRA Loan, the Term CORRA Reference Rate and (c) in respect of any Daily Compounded CORRA Loan, Daily Compounded CORRA; provided in each case that if a Benchmark Transition Event has occurred with respect to any then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 11.5(a)(i);

**"Benchmark Fallback Loans"** means (a) in respect of any SOFR Loans, U.S. Base Rate Loans, and (b) in respect of any Term CORRA Loans or any Daily Compounded CORRA Loans, Prime Loans;

**"Benchmark Loan"** means any Loan that bears interest with reference to any Benchmark (or any Benchmark Replacement thereof);

**"Benchmark Replacement"** means, with respect to any Benchmark Transition Event for any then-current Benchmark, as applicable:

- (a) with respect to obligations, interest, fees, commissions or other amounts calculated with respect to the Term SOFR Reference Rate (or any Benchmark replacing the Term SOFR Reference Rate), the first alternative set forth in the order below that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date:
  - (i) Adjusted Daily Simple SOFR; or

- (ii) the sum of: (A) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower giving due consideration to (I) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (II) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to the then-current Benchmark for U.S. Dollar-denominated syndicated credit facilities at such time and (B) the related Benchmark Replacement Adjustment; and
- (b) with respect to obligations, interest, fees, commissions or other amounts calculated with respect to the Term CORRA Reference Rate (or any Benchmark replacing the Term CORRA Reference Rate), the first alternative set forth in the order below that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date:
- (i) Adjusted Daily Compounded CORRA: or
  - (ii) the sum of: (A) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower giving due consideration to (I) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (II) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to the then-current Benchmark for Canadian Dollar-denominated syndicated credit facilities at such time and (B) the related Benchmark Replacement Adjustment,
- (c) with respect to obligations, interest, fees, commissions or other amounts calculated with respect to CORRA (or any Benchmark replacing CORRA), the sum of: (i) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower giving due consideration to (A) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (B) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to the then-current Benchmark for Canadian Dollar-denominated syndicated credit facilities and (ii) the related Benchmark Replacement Adjustment,

provided that, if the Benchmark Replacement as so determined above would be less than the Floor, the Benchmark Replacement shall be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents;

**"Benchmark Replacement Adjustment"** means, with respect to any replacement of any then-current Benchmark with an Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower giving due consideration to (a) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body and/or (b) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. Dollar or Canadian Dollar denominated syndicated credit facilities (as applicable) at such time;

**"Benchmark Replacement Date"** means a date and time determined by the Administrative Agent, which date shall be no later than the earlier to occur of the following events with respect to any then-current Benchmark:



- (a) in the case of clause (a) or (b) of the definition of "Benchmark Transition Event", the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or
- (b) in the case of clause (c) of the definition of "Benchmark Transition Event", the first date on which all Available Tenors of such Benchmark (or the published component used in the calculation thereof) have been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative; provided, that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (c) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, the "Benchmark Replacement Date" will be deemed to have occurred in the case of clause (a) or (b) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof);

**"Benchmark Transition Event"** means, with respect to any Benchmark, the occurrence of one or more of the following events with respect to such then-current Benchmark:

- (a) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely; provided that at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);
- (b) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the Federal Reserve Bank of New York, the Bank of Canada, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), in each case, which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or
- (c) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) or the regulatory supervisor for the administrator of such Benchmark (or such component thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer, or as of a specified future date will no longer be, representative.

For the avoidance of doubt, a "Benchmark Transition Event" will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof);

**"Benchmark Unavailability Period"** means, with respect to any Benchmark, the period (if any) (a) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced such then-current Benchmark for all purposes hereunder and under any other Loan Document in accordance with Section 11.5(a) and (b) ending at the time that a Benchmark Replacement has replaced such then-current Benchmark for all purposes hereunder and under any other Loan Document in accordance with Section 11.5(a);

**"Bilateral Financial Services Agreements"** means, as applicable, each present and future agreement between a Creditcard Lender and a Loan Party with respect to Creditcard Facilities, and each present and future agreement between a Cash Management Lender and a Loan Party with respect to Cash Management Services;

**"Borrower"** means KMC Mining Corporation, a corporation existing under the laws of Alberta, and its successors and permitted assigns;

**"Borrower Cash Collateral Account"** means an account with the Administrative Agent, or such other financial institution as designated by the Administrative Agent, from which the Borrower does not have any withdrawal rights or privileges until repayment of the Borrowings in full, termination of the Total Commitment and termination of this Agreement, except to apply the amount represented thereby to the Borrowings or a portion thereof, which account and all funds credited thereto and interest earned thereon (which interest shall be at the prevailing rate of the Administrative Agent or such other financial institution, as the case may be, for demand deposits of comparable amounts) shall be the subject of a Security Interest in favour of the Administrative Agent on behalf of the Lenders;

**"Borrowing Base"** means, for the relevant period of determination, the aggregate of the following, calculated monthly and without duplication:

- (a) eighty-five (85%) percent of the aggregate value of all Eligible Investment Grade Accounts Receivable at such time; *plus*
- (b) seventy-five (75%) percent of the aggregate value of all Eligible Accounts Receivable at such time, excluding any Eligible Accounts Receivable then comprising Eligible Investment Grade Accounts Receivable; *plus*
- (c) sixty (60%) percent of the net book value of Eligible Inventory; *less*
- (d) the aggregate amount of all Priority Payables of the Loan Parties at such time;

**"Borrowing Base Certificate"** means a certificate substantially in the form attached hereto as Schedule "G";

**"Borrowing Base Shortfall"** has the meaning ascribed to it in Section 3.7(c);

**"Borrowing Notice"** means a notice to effect an Accommodation delivered under Section 3.6 and substantially in the form of Schedule "B" with all applicable blanks completed;

**"Borrowings"** means, at any time:

- (a) the principal amount outstanding by way of Loans made by the Lenders under the Term Facility (collectively, the **"Term Borrowings"**);

- (b) the principal amount outstanding by way of Loans made by the Lenders under the Delayed Draw Facility (collectively, the "**Delayed Draw Borrowings**");
- (c) the principal amount outstanding by way of Loans made by the Lenders under the Capex Facility (collectively, the "**Capex Borrowings**"); and
- (d) the principal amount outstanding by way of Loans made by the Lenders, together with the undrawn amount of all outstanding Letters of Credit issued by the Fronting Lender, in each case, under the Operating Facility (collectively, the "**Operating Borrowings**");

"**bps**" means 1/100<sup>th</sup> of one percent;

"**Branch of Account**" means, with respect to each Lender, the branch or office of such Lender located at the address set forth under such Lender's name on Schedule "A" or in its Assignment and Assumption, or such other branch or office in Canada as such Lender may from time to time advise the Borrower and the Administrative Agent in writing; provided that, for purposes of delivering any notice required to be delivered by the Administrative Agent to a Lender pursuant to Section 12.13 and for purposes of effecting any payments to a Lender in connection with this Agreement, a Lender may specify in writing to the Administrative Agent any other branch or office of such Lender in Canada and such branch or office shall thereafter be the Branch of Account of such Lender for such purpose;

"**Business Day**" means a day, excluding Saturday and Sunday, on which banking institutions are open for the transaction of commercial business in Calgary, Alberta, Toronto, Ontario and New York, New York; also, if such term is considered in the context of a SOFR Loan, or any other calculation or determination involving SOFR, the term "**Business Day**" means any day that is also a U.S. Government Securities Business Day;

"**Canadian Dollars**", "**Cdn. Dollars**" and the symbols "**Cdn.\$**" and "**\$**" each mean lawful money of Canada;

"**Capex Facility**" has the meaning ascribed to it in Section 3.1(a)(iii);

"**Capex Facility Commitment**" means, with respect to each Lender, such Lender's obligation to provide Capex Accommodations to the Borrower, subject to the terms of this Agreement, in an aggregate amount not at any time in excess of the amount set forth under such Lender's name on Schedule "A" (or in any Assignment and Assumption executed hereafter) as such Lender's Capex Facility Commitment, as such amount may hereafter be cancelled, reduced, increased or terminated from time to time pursuant to the provisions of this Agreement;

"**Capital Assets**" means Property that would, in accordance with GAAP, be determined to be capital property and equipment;

"**Capital Expenditure**" means, with respect to any Loan Party, an expenditure made directly or indirectly in respect of the acquisition, maintenance or improvement of Capital Assets, or relating to capital leases, including the acquisition, the maintenance or the improvement of land, plant, machinery or Equipment, whether fixed or movable, all in accordance with GAAP;

"**Cash Flow**" means, for any period, in accordance with GAAP and in respect of the Borrower on a consolidated basis:

- (a) the aggregate amount of EBITDA for such period *less*, to the extent included in EBITDA for such period (without duplication), all amounts comprising:
- (i) amounts added back to Net Income in the calculation of EBITDA;
  - (ii) Unfunded Capital Expenditures;
  - (iii) the aggregate amount of all Permitted Distributions;
  - (iv) Financing Charges; and
  - (v) mandatory repayments in respect of Debt during such period (including any Debt arising under this Agreement, any Bilateral Financial Services Agreement or a Permitted Swap), including, without limitation, scheduled payments (whether comprising principal, interest or fees) in respect thereof,

in each case, to the extent paid in cash during such period; *plus or minus*, as the case may be,

- (b) the change in Working Capital (except as a result of the reclassification of items from short term to long-term or vice versa) during such period,

in each case, as set forth in the consolidated financial statements of the Borrower for such period;

**"Cash Management Lender"** means a Lender or an Affiliate of a Lender which has provided Cash Management Services to a Loan Party;

**"Cash Management Obligations"** means all indebtedness, liabilities and obligations of any Loan Party to a Cash Management Lender under any Cash Management Services;

**"Cash Management Services"** means cash or treasury management services (including controlled disbursement, automated clearinghouse transactions, return items, daylight overdrafts, interstate depository network services, wire payments, account netting and pooling services and the operation of centralized banking arrangements (whether notional or physical)) or any similar services which the Borrower and/or any Loan Party maintains with a Lender;

**"Change in Law"** means the occurrence, after the date of this Agreement, of any of the following:

- (a) the adoption or taking effect of any Applicable Law or treaty;
- (b) any change in any Applicable Law or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority; or
- (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, to the extent applicable to the Lenders, (x) the *Dodd-Frank Wall Street Reform and Consumer Protection Act* and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the Office of the Superintendent of Financial Institutions of Canada or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued;

**"Change of Control"** means and shall be deemed to have occurred if and when:

- (a) a change in the registered holdings and/or beneficial ownership of the Equity Interests of the Borrower results in any Person or Persons acting jointly or in concert (within the meaning of the *Securities Act* (Alberta)) who are not executive officers and/or directors of the Borrower (or Persons Controlled by such parties) beneficially owning or controlling, directly or indirectly, Voting Shares in the capital of the Borrower which have or represent more than 50% of all the votes entitled to be cast by shareholders for an election of the board of directors of the Borrower;
- (b) other than in the case of an Excluded Replacement, individuals who were elected as members of the board of directors of the Borrower by the most recent resolutions of the shareholders of the Borrower shall no longer constitute a majority of the board of directors of the Borrower at any time prior to the next following resolutions of the shareholders of the Borrower relating to the election of the same, and the Lenders shall have determined that the resulting board of directors shall not be acceptable to the Lenders, such determination to be made by each Lender in its sole discretion; or
- (c) other than in the case of an Excluded Replacement, individuals who were members of the board of directors of the Borrower immediately prior to resolutions of the shareholders of the Borrower relating to the election of directors shall not constitute a majority of the board of directors following such election, and the Lenders shall have determined that the resulting board of directors shall not be acceptable to the Lenders, such determination to be made by each Lender in its sole discretion;

**"Closing Direction to Pay"** has the meaning ascribed to it in Section 8.1(e)(iv);

**"Collateral"** is a collective reference to all Property and the proceeds and products thereof, subjected or intended to be subjected from time to time to any Security Interest under any of the Security;

**"Commitment"** means each applicable Lender's Term Facility Commitment, Delayed Draw Facility Commitment, Capex Facility Commitment or Operating Facility Commitment, as the case may be, or, if the context so requires, the aggregate thereof;

**"Commodity Swap"** means an agreement entered into between a Person and a counterparty on a case by case basis, the purpose and effect of which is to mitigate or eliminate such Person's exposure to fluctuations in commodity prices, whether physically or financially settled;

**"Communications"** has the meaning ascribed to it in Section 14.7(d)(ii);

**"Compliance Certificate"** means a compliance certificate substantially in the form attached hereto as Schedule "D" executed by a senior officer of the Borrower;

**"Conforming Changes"** means, with respect to either the use or administration of any Benchmark or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definitions of "Prime Rate", "U.S. Base Rate", "Business Day", "U.S. Government Securities Business Day", "CORRA Interest Date", "Interest Period", "SOFR Interest Date" or any similar or analogous definition in respect of the foregoing, the timing and frequency of determining rates and making payments of interest, the timing of any Borrowing Notice, Conversion Notice, Notice of Repayment or Rollover Notice, the applicability and length of lookback periods, the applicability of breakage provisions and other technical, administrative or operational matters) that the Administrative Agent decides, acting reasonably, may be appropriate to reflect the adoption and implementation of any such rate or to permit the use and administration thereof by the Administrative Agent

in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of any such rate exists, in such other manner of administration as the Administrative Agent decides, acting reasonably, is necessary in connection with the administration of this Agreement and the other Loan Documents);

"**Control**" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "**Controlling**" and "**Controlled**" have meanings correlative thereto;

"**Conversion**" means: (a) a conversion of a Borrowing (other than a Letter of Credit) or part thereof from one basis of Borrowing to another (other than a Letter of Credit) pursuant to Section 3.12, or (b) a conversion or deemed conversion of a Swing Line Borrowing into an Operating Borrowing under the Operating Facility (whether of the same type or otherwise);

"**Conversion Date**" means each Business Day that the Borrower has notified the Administrative Agent as the date on which the conversion of a Borrowing or a portion thereof is to be made pursuant to a request from the Borrower under Section 3.12;

"**Conversion Notice**" means a notice to effect a Conversion delivered under Section 3.12 and substantially in the form of Schedule "C" with all applicable blanks completed;

"**Corporate Transaction**" has the meaning ascribed to it in Section 9.2(j);

"**CORRA**" means the Canadian Overnight Repo Rate Average administered and published by the CORRA Administrator;

"**CORRA Adjustment**" means, with respect to Term CORRA or Daily Compounded CORRA, a percentage equal to (a) 0.29547% (29.547 bps) per annum for an Available Tenor of one (1) month's duration and (b) 0.32138% (32.138 bps) per annum for an Available Tenor of three (3) months' duration;

"**CORRA Administrator**" means the Bank of Canada or any successor administrator;

"**CORRA Interest Date**" means the date falling on the last day of each Interest Period in respect of a CORRA Loan;

"**CORRA Loans**" means, collectively, Term CORRA Loans and Daily Compounded CORRA Loans;

"**CPA**" means CPA Canada or any successor thereto;

"**Credit Documents**" mean, collectively, this Agreement, all Swaps with a Swap Lender documented under the applicable ISDA Master Agreements and all Transactions documented thereunder, all agreements between a Creditcard Lender and a Loan Party with respect to Creditcard Facilities, and all agreements between a Cash Management Lender and a Loan Party with respect to Cash Management Services, and "**Credit Document**" means any of them;

"**Creditcard Facilities**" means any corporate credit card facilities for commercial purposes (including "commercial credit cards" and "purchasing cards");

"**Creditcard Lender**" means a Lender or an Affiliate of a Lender which has provided Creditcard Facilities to a Loan Party;

"**Creditcard Obligations**" means all indebtedness, liabilities and obligations of any Loan Party to a Creditcard Lender arising under any Creditcard Facilities;

"**Currency Swap**" means a contract entered into between a Person and a counterparty on a case by case basis in connection with forward rate, currency swap or currency exchange and other similar currency related transactions, the purpose and effect of which is to mitigate or eliminate such Person's exposure to fluctuations in exchange rates;

"**Current Assets**" means, for any day, the amount of current assets of the Borrower as determined in accordance with GAAP on a consolidated basis;

"**Current Liabilities**" means, for any day, the amount of current liabilities of the Borrower as determined in accordance with GAAP on a consolidated basis;

"**CWB**" means Canadian Western Bank;

"**Daily Compounded CORRA**" means, for any day in an Interest Period, CORRA with interest accruing on a compounded daily basis, with the methodology and conventions for this rate (which will include compounding in arrears with a lookback) being established by the Administrative Agent in accordance with the methodology and conventions for this rate selected or recommended by the Relevant Governmental Body for determining compounded CORRA for business loans; provided that if the Administrative Agent decides that any such methodology or convention is not administratively feasible for the Administrative Agent, then the Administrative Agent may establish another methodology or convention in its reasonable discretion; and provided that if the administrator has not provided or published CORRA and a Benchmark Replacement Date with respect to CORRA has not occurred, then, in respect of any day for which CORRA is required, references to CORRA will be deemed to be references to the last provided or published CORRA; and provided further that if Daily Compounded CORRA as so determined shall be less than the Floor, then Daily Compounded CORRA shall be deemed to be the Floor;

"**Daily Compounded CORRA Loan**" means an Accommodation that bears interest at a rate based on Adjusted Daily Compounded CORRA;

"**Daily Simple SOFR**" means, for any day, SOFR, with the conventions for this rate (which will include a lookback) being established by the Administrative Agent in accordance with the conventions for this rate recommended by the Relevant Governmental Body for determining "Daily Simple SOFR" for syndicated business loans; provided, that if the Administrative Agent decides that any such convention is not administratively feasible for the Administrative Agent, then the Administrative Agent may establish another convention in its reasonable discretion;

"**Debt**" means, as at any particular time and as determined in respect of the Borrower on a consolidated basis in accordance with GAAP, all obligations, indebtedness and liabilities (without duplication):

- (a) for borrowed money, including by way of overdraft or other extensions of credit, and any Permitted Subordinated Debt;
- (b) arising pursuant to bankers' acceptance facilities, note purchase facilities and commercial paper programs, or the stated amount of letters of credit, letters of guarantee and surety bonds supporting obligations which would otherwise constitute Debt within the meaning of this definition or indemnities issued in connection therewith;

- (c) evidenced by bonds, debentures, notes or other similar instruments or drafts (whether or not with respect to the borrowing of money and whether or not payable by, or convertible into, equity and including without limitation, any indebtedness or liabilities of such Person that may be satisfied by the delivery of Equity Interests of such Person to the holder thereof or to another Person on behalf of the holder, or that are not so evidenced but that would be considered by GAAP to be indebtedness for borrowed money);
- (d) arising under Guarantees, indemnities, assurances, legally binding comfort letters or other contingent obligations relating to the indebtedness or other obligations of any other Person which would otherwise constitute Debt within the meaning of this definition;
- (e) incurred for the purpose of or having the effect of providing Financial Assistance relating to obligations of any other Person which would otherwise constitute Debt within the meaning of this definition;
- (f) for or in respect of Financial Leases and Sale/Leasebacks;
- (g) for or in respect of the deferred purchase or acquisition price of Property or services (including obligations secured by Purchase Money Security Interests) where such payment is deferred for a period exceeding 120 days;
- (h) net payment obligations in respect of all Swap Indebtedness that are due and payable as a result of the settlement or termination of the underlying Swap;
- (i) for or in respect of purchase price of any Property, the purchase price in respect of which has been prepaid by the purchaser; and
- (j) for or in respect of redemption obligations with respect to any shares issued by the Borrower or a Subsidiary (excluding shares that may be redeemed in whole or in part in specie) which are not held by the Borrower or its Subsidiaries and which are by their terms or pursuant to any contract, agreement or arrangement:
  - (i) redeemable, retractable, payable or required to be purchased or otherwise retired or extinguished, or convertible into Debt, in any case, prior to the latest Maturity Date of any Lender (A) at a fixed or determinable date, (B) at the option of any holder thereof, or (C) upon the occurrence of a condition not solely within the control and discretion of the Borrower or such Subsidiary; or
  - (ii) convertible into any other shares described in (i) above,

but excluding, for certainty (to the extent included therein) (A) accounts payable and accrued liabilities incurred in the ordinary course of business, (B) the unrealized portion of any gains or losses resulting from the Mark-to-Market of outstanding Swaps, (C) decommissioning liabilities, (D) all letters of credit or letters of guarantee which would not otherwise constitute Debt hereunder, and (E) all existing preferred Equity Interests in the Borrower issued and outstanding as at the Effective Date;

**"Debtor Relief Laws"** means the *Bankruptcy and Insolvency Act* (Canada), the *Companies Creditors' Arrangement Act* (Canada), the *Canada Business Corporations Act* and the *Business Corporations Act* (Alberta) and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization or similar debtor relief laws of Canada or other applicable jurisdictions from time to time in effect;



"**Default**" shall mean the occurrence of any of the events specified in Section 10.1, whether or not any requirement for notice or lapse of time or other condition precedent has been satisfied;

"**Defaulting Lender**" means, subject to Section 14.2(c), any Lender that:

- (a) has failed to (i) fund all or any portion of any Accommodation required to be made by it hereunder within two Business Days of the date such Accommodation was required to be funded hereunder unless such Lender notifies the Administrative Agent and the Borrower in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to the Administrative Agent, the Fronting Lender or any Lender any other amount required to be paid by it hereunder (including in respect of its participation in Letters of Credit) within two Business Days of the date when due;
- (b) has notified the Borrower, the Administrative Agent, the Fronting Lender or any Lender (verbally or in writing) that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender's obligation to fund an Accommodation hereunder and states that such position is based on such Lender's determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied);
- (c) has failed, within three Business Days after written request by the Administrative Agent or the Borrower, to confirm in writing to the Administrative Agent and the Borrower that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent and the Borrower);
- (d) that has otherwise failed to pay over to the Administrative Agent or any other Lender any other amount required to be paid by it hereunder within three Business Days of the date when due, unless the subject of a good faith dispute;
- (e) has, or its direct or indirect parent entity that has, (i) become the subject of a proceeding under any Debtor Relief Law, (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or Property; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any Equity Interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as, other than in respect of Export Development Canada (to the extent it is or becomes a Lender hereunder), such Equity Interest does not result in or provide such Lender with immunity from the jurisdiction of courts within Canada or from the enforcement of judgments or writs of attachment on its Property or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender, or (iii) become the subject of a Bail-In Action; or
- (f) that is generally in default of its obligations under other existing credit or loan documentation under which it has commitments to extend credit.

Any determination by the Administrative Agent that a Lender is a Defaulting Lender under clauses (a) through (f) above shall be conclusive and binding absent manifest error, and such Lender shall be deemed

to be a Defaulting Lender (subject to Section 14.2(c)) upon delivery of written notice from the Administrative Agent of such determination to the Borrower, the Fronting Lender and each Lender;

**"Deferred Term Accommodations"** means Term Accommodations provided after the Effective Date (but, for certainty, no later than the Term Facility Availability End Date) in an aggregate amount not exceeding \$23,000,000;

**"Delayed Draw Availability Period"** has the meaning ascribed to it in Section 8.3(a);

**"Delayed Draw Facility"** has the meaning ascribed to it in Section 3.1(a)(ii);

**"Delayed Draw Facility Commitment"** means, with respect to each Lender, such Lender's obligation to provide Delayed Draw Accommodations to the Borrower, subject to the terms of this Agreement, in an aggregate amount not at any time in excess of the amount set forth under such Lender's name on Schedule "A" (or in any Assignment and Assumption executed hereafter) as such Lender's Delayed Draw Facility Commitment, as such amount may hereafter be cancelled, reduced, increased or terminated from time to time pursuant to the provisions of this Agreement;

**"Demand for Payment"** means delivery of an Acceleration Notice or a Swap Demand for Payment;

**"Disposition"** means any sale, assignment, transfer, conveyance, lease or other disposition of all or any portion of any Property of any Loan Party, including, for greater certainty, pursuant to a Sale/Leaseback in a single transaction or a series of related transactions and the word **"Dispose"** shall have a correlative meaning;

**"Distribution"** by a Person means:

- (a) any declaration, payment or setting aside for payment of any dividend, return of capital or other distribution on or in respect of any of the Equity Interests of such Person;
- (b) any redemption, retraction, purchase, retirement or other acquisition, in whole or in part, of any of the Equity Interests;
- (c) the payment of any principal, interest, fees, redemption amounts or other amounts on or in respect of any loans, advances or other indebtedness owing at any time by such Person, including to a holder of Equity Interests of such Person or an Affiliate of such holder;
- (d) any loan, advance, payment of management or consulting fees or reimbursement of costs which is made by the Person to or in favour of Equity Interests of such Person or an Affiliate of such holder except where any such payment is made to any such holder in such holder's capacity as an officer, director or employee of such Person in the ordinary course of business; or
- (e) the transfer by the Person of any Property for consideration of less than its or their fair market value or on non-arms' length terms and conditions to a holder of Equity Interests of such Person or an Affiliate of such holder;

whether any of the foregoing is made, paid or satisfied in or for cash, Property or both;

**"Drawdown"** means the advance of a Borrowing other than as a result of a Conversion, Rollover or a drawing under a Letter of Credit;

**"Drawdown Date"** means each Business Day on which Borrowings are to be made pursuant to a request from the Borrower under Section 3.6;

**"EBITDA"** means, for any fiscal period, and as determined in accordance with GAAP on a consolidated basis in respect of the Borrower, all Net Income for such period, plus, to the extent deducted in determining such Net Income for such period (without duplication) all amounts comprising:

- (a) Financing Charges;
- (b) income taxes;
- (c) non-cash items, including depletion, accretion (to the extent not included in paragraph (a) above), depreciation, amortization and future income tax liabilities;
- (d) non-capitalized transaction costs and expenses associated with the implementation of the Facilities and the closing of this Agreement;
- (e) customary out-of-pocket costs, fees and expenses paid or required to be paid in connection with a Permitted Acquisition, whether or not it closes;
- (f) losses attributable to minority Equity Interests, non-cash impairment charges and any other non-cash charges;
- (g) extraordinary, non-recurring, losses including, for greater certainty one-time financing costs, one-time severance, recruitment and search expenses, and similar expenses, up to an aggregate maximum amount (for all such losses) of \$5,000,000 in any twelve-month period;
- (h) non-cash losses resulting from the Mark-to-Market of outstanding Swaps;
- (i) stock-based compensation;
- (j) management fees and expenses, to the extent constituting "Permitted Distributions" under paragraph (d) of such definition paid by the Loan Parties;
- (k) Distributions made by the Borrower, to the extent constituting "Permitted Distributions" under paragraph (b) of such definition;

less (in each case, on a consolidated basis with respect to the Borrower), to the extent included in the calculation of such Net Income for such period:

- (l) earnings attributable to minority Equity Interests;
- (m) extraordinary, non-recurring earnings and gains (other than in the ordinary course of business); and
- (n) non-cash gains resulting from the Mark-to-Market of outstanding Swaps;

**"EEA Financial Institution"** means:

- (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority;

- (b) any entity established in an EEA Member Country which is a parent of an institution described in paragraph (a) of this definition; or
- (c) any institution established in an EEA Member Country which is a subsidiary of an institution described in paragraph (a) or (b) of this definition and is subject to consolidated supervision with its parent;

"**EEA Member Country**" means any of the member states of the European Union, Iceland, Liechtenstein and Norway;

"**EEA Resolution Authority**" means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegatee) having responsibility for the resolution of any EEA Financial Institution;

"**Effective Date**" means the date on which all of the conditions precedent under Section 8.1 have been satisfied;

"**Eligible Accounts Receivable**" means at any time, any Account Receivable of the Loan Parties (net of any credit balances, returns, trade discounts, or unbilled amounts or retention) that satisfies and at all times continues to satisfy the following criteria of eligibility (and the Borrower by including such Account Receivable in any computation of the Borrowing Base shall be deemed to represent and warrant to the Administrative Agent and the Lenders that, to the knowledge of the Borrower, all of the following statements are accurate and complete with respect to such Account Receivable):

- (a) such Account Receivable is a valid and legally enforceable obligation of the applicable Account Debtor;
- (b) such Account Receivable is genuine as appearing on its face or as represented in the books and records of the Loan Parties (on a consolidated basis);
- (c) such Account Receivable is free from valid claims regarding rescission, cancellation or avoidance, whether by operation of Applicable Law or otherwise and, except to the extent of any reduction made pursuant to paragraph (e) of this definition, is net of all then applicable holdbacks and prepayment credits;
- (d) such Account Receivable does not relate to services not as of yet completed;
- (e) without limiting the generality of paragraph (c) of this definition, such Account Receivable is not subject to any offset, counterclaim or other defence on the part of the Account Debtor or any claim by the Account Debtor that denies liability in whole or in part; and, if the Account Debtor denies liability only in part, the undisputed portion of the Account Receivable shall be allowed so long as the Account Debtor has agreed that it will pay such portion not in dispute in accordance with its terms;
- (f) unless otherwise qualified as an Eligible Investment Grade Account Receivable, such Account Receivable is not outstanding more than 90 days after its billing date, provided that the under 90-day portion may be included where: (i) the over 90 day portion is less than 15% of the entire Account Receivable, or (ii) each of the Lenders have nevertheless designated the Account Receivable as good;

- (g) unless otherwise qualified as an Eligible Investment Grade Account Receivable, such Account Receivable is not owed to an Account Debtor whose Accounts Receivable are outstanding more than 90 days after their respective billing dates, if the aggregate amount of such past due Accounts Receivable comprises 15% or more of the aggregate Accounts Receivable owing by such Account Debtor to the Loan Parties;
- (h) unless otherwise qualified as an Eligible Investment Grade Account Receivable, such Account Receivable is: (i) owed by an Account Debtor whose principal place of business is located in Canada or in the United States of America, or (ii) supported by a letter of credit acceptable to the Administrative Agent, in its sole discretion;
- (i) such Account Receivable is denominated in Canadian Dollars or United States Dollars;
- (j) such Account Receivable is subject to a first priority perfected Security Interest in favour of the Administrative Agent, on behalf of the Lenders;
- (k) such Account Receivable is, and at all times will be, free and clear of all Security Interests other than Priority Payables and any other Permitted Encumbrances;
- (l) such Account Receivable is not in respect of builders' liens, carriers' liens, materialmen's liens or similar holdbacks, or other doubtful accounts;
- (m) the Account Receivable does not arise from a sale or lease to or rendering of services to an Affiliate of any Loan Party or to an employee, agent, shareholder, director or other representative of any Loan Party, or, in each case, to their respective Affiliates;
- (n) in the case of the sale of goods, the subject goods have been sold to an Account Debtor on a true sale basis on open account, or subject to contract, and not on consignment, on approval or on a "sale or return" basis or subject to any other repurchase or return agreement, no material part of the subject goods has been returned, rejected, lost or damaged, and such Account Receivable is not evidenced by chattel paper or an instrument of any kind unless possession or control of such chattel paper or instrument has been delivered to the Administrative Agent on terms acceptable to the Administrative Agent;
- (o) the Account Debtor of the Account Receivable is not a Governmental Authority (including, for certainty, amounts in respect of GST/PST/HST), except to the extent the Account Receivable is assignable without consent or all necessary consents to assignment have been obtained and all applicable statutory requirements for consent have been obtained; and
- (p) the Account Debtor obligated on the Account Receivable has not ceased to carry on business or become insolvent, admitted its inability to pay its debts as they come due or otherwise become insolvent, made a general assignment for the benefit of its creditors, or consented to or applied for the appointment of a receiver, trustee, custodian, liquidator for itself or any material part of its Property, and no petition has been filed by or against the Account Debtor under any Debtor Relief Law which is outstanding at such date.

Any Accounts Receivable which are at any time Eligible Accounts Receivable but which subsequently fail to meet any of the foregoing requirements shall immediately cease to constitute Eligible Accounts Receivable hereunder;

"**Eligible Assignee**" means any Person that meets the requirements to be an assignee under Sections 13.1(b)(iii), 13.1(b)(v) and 13.1(b)(vi) (subject to such consents, if any, as may be required under Section 13.1(b)(iii));

"**Eligible Inventory**" means all Inventory of the Loan Parties valued in Canadian Dollars or U.S. Dollars, on a net realizable value basis in accordance with GAAP, that satisfies and at all times continues to satisfy the following criteria of eligibility (and the Borrower by including such Inventory in any computation of the Borrowing Base shall be deemed to represent and warrant to the Administrative Agent and the Lenders that, to the knowledge of the Borrower, all of the following statements are accurate and complete with respect to such Inventory):

- (a) such Inventory is in good condition and is not obsolete and is either currently usable or saleable in the normal course of business;
- (b) such Inventory is in possession of a Loan Party and located within Canada either: (i) on real property owned or leased by a Loan Party, or (ii) on the site of a Loan Party's customer;
- (c) the Administrative Agent, on behalf of the Lenders, has a first priority perfected Security Interest covering such Inventory, and such Inventory is free and clear of all other Security Interests other than Permitted Encumbrances that are subordinate to the Security;
- (d) such Inventory does not include goods that: (i) are not owned by a Loan Party, (ii) are held by a Loan Party pursuant to a consignment agreement, or (iii) have been sold by a Loan Party on a bill and hold basis; and
- (e) such Inventory does not consist of work in process, storeroom materials, samples, prototypes, or packing and shipping materials not considered for sale by the Loan Parties in the ordinary course of business.

Any Inventory which is at any time Eligible Inventory but which subsequently fails to meet any of the foregoing requirements shall immediately cease to constitute Eligible Inventory hereunder;

"**Eligible Investment Grade Accounts Receivable**" means Eligible Accounts Receivable of the Loan Parties, on a consolidated basis, from Account Debtors whose principal place of business is located in in Canada or the United States (or in other jurisdictions to the extent supported by a letter of credit satisfactory to the Administrative Agent, in its sole discretion), in each case, who: (a) have a BBB- or higher credit rating from S&P or a Baa3 or higher credit rating from Moody's; or (b) are otherwise designated as "investment grade" by the Administrative Agent, with the consent of each Lender, in writing, excluding the entire amount of all Accounts Receivable any portion of which is outstanding more than 120 days after the billing date, provided that the under-120 day portion may be included where the over-120 day portion is less than 15% of the aggregate amount of Accounts Receivable from the applicable Account Debtor, and provided that: (i) the entire amount of Accounts Receivable may be included where the Administrative Agent, with the consent of each Lender, has nevertheless designated such Account Receivable as good; and (ii) all Eligible Accounts Receivable from Suncor Energy are hereby deemed to be "Eligible Investment Grade Accounts Receivable" for purposes of this definition;

"**Environmental Laws**" means all Applicable Laws and Governmental Actions regarding the environment or pursuant to which Environmental Liabilities could arise or have arisen, including all Applicable Laws and Governmental Actions relating to the Release or threatened Release of any contaminant or the generation, use, storage or transportation of any contaminant;

**"Environmental Liabilities"** means any and all liabilities for any Release, any environmental damage, any contamination or any other environmental problem caused or alleged to have been caused to any Person, Property or the environment as a result of any Release or the condition of any Property, whether or not caused by a breach of Applicable Laws, including all liabilities arising from or related to any surface, underground, air, groundwater, or surface water contamination; the abandonment or plugging of any well; restorations and reclamations; the removal of or failure to remove any foundations, structures or equipment; the cleaning up or reclamation of storage sites; any Release; violation of pollution standards; and personal injury (including sickness, disease or death) and property damage arising from the foregoing;

**"Equivalent Amount"** in one currency (the **"First Currency"**) of an amount in another currency (the **"Other Currency"**) means, as of the date of determination, the amount of the First Currency which would be required to purchase such amount of the Other Currency at the Spot Rate;

**"Equipment"** means all of the equipment of the Loan Parties used in the conduct of the business of the Loan Parties from time to time;

**"Equity Interest"** means:

- (a) in the case of any corporation, all capital stock and any securities exchangeable for or convertible into capital stock;
- (b) in the case of an association or business entity, any and all shares, interests, participation rights or other equivalents of corporate stock (however designated) in or to such association or entity;
- (c) in the case of a partnership, limited liability company or unlimited liability company, partnership or membership interests (whether general or limited), as applicable; and
- (d) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distribution of Property of, the issuing Person,

and including, in all of the foregoing cases described in clauses (a), (b), (c) or (d), any warrants, rights or other options to purchase or otherwise acquire any of the interests described in any of the foregoing cases;

**"Erroneous Payment"** has the meaning ascribed to it in Section 12.23(a);

**"Erroneous Payment Deficiency Assignment"** has the meaning ascribed to it in Section 12.23(d);

**"Erroneous Payment Impacted Facilities"** has the meaning ascribed to it in Section 12.23(d);

**"Erroneous Payment Return Deficiency"** has the meaning ascribed to it in Section 12.23(d);

**"Erroneous Payment Subrogation Rights"** has the meaning ascribed to it in Section 12.23(d);

**"Escrow Funds"** has the meaning ascribed thereto in Section 10.4;

**"EU Bail-In Legislation Schedule"** means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time;

**"Event of Default"** means any of the events or circumstances specified in Section 10.1;

**"Excess Cash Flow"** means, for any period, with respect to the Borrower as determined in accordance with GAAP on a consolidated basis, without duplication, an amount equal to:

- (a) EBITDA for such period;
- (b) *less*, to the extent paid in cash during such period, the aggregate amount of:
  - (i) all amounts added back to Net Income of the Borrower in the calculation of EBITDA for such period;
  - (ii) Unfunded Capital Expenditures;
  - (iii) Permitted Distributions;
  - (iv) Financing Obligations;
  - (v) all repayments or prepayments of Borrowings under the Term Facility; and
  - (vi) transaction costs and expenses associated with the implementation of the Facilities and the closing of this Agreement up to an aggregate amount not exceeding \$1,000,000,
- (c) *plus* the increase (or *minus* a decrease) in Working Capital (except as a result of the reclassification of items from short-term to long-term or vice versa) during such period;

**"Excess Cash Flow Repayment"** has the meaning ascribed to it in Section 4.1(b);

**"Excluded Equipment"** means the Capital Assets set forth in Schedule "K", but only to the extent, and for so long as, such Capital Assets are subject to a Security Interest in favour of Komatsu International (Canada) Inc. (or its Affiliates) or any other Person consented to in writing by the Administrative Agent;

**"Excluded Replacement"** means, with respect to the Borrower: (i) the replacement of those of its directors who have died, have been found to be of unsound mind by a court of competent jurisdiction, have become bankrupt or have otherwise ceased to be qualified to act as a director under Applicable Law, and (ii) the replacement of any existing director with, or the addition as a director of, any person who is, as at the Effective Date, an officer or member of senior management of the Borrower;

**"Excluded Taxes"** means, with respect to the Administrative Agent, any Lender or any other recipient of any payment to be made by or on account of any obligation of the Borrower hereunder;

- (a) taxes imposed on or measured by its overall net income (however denominated), and franchise taxes imposed on it (in lieu of net income taxes), by the jurisdiction (or any political subdivision thereof) under the laws of which such recipient is organized or in which its principal office is located or, in the case of any Lender, in which its applicable lending office is located or which otherwise has jurisdiction over such Lender;
- (b) any branch profits taxes or any similar tax imposed by any other jurisdiction in which the Borrower is located; and
- (c) in the case of a Foreign Lender (other than an assignee pursuant to a request by the Borrower under Section 11.3(b)), any withholding tax that is imposed on amounts payable to such Foreign Lender at the time such Foreign Lender becomes a party hereto (or designates a new lending office) or is attributable to such Foreign Lender's failure or inability (other than as a result of a Change in Law) to comply with Section 11.2(e), except to the extent that such Foreign Lender (or its assignor, if any) was entitled, at the time of designation of a new lending office (or assignment), to receive



additional amounts from the Borrower with respect to such withholding tax pursuant to Section 11.2(a);

"**Executive Order**" means the executive order No. 13224 of September 23, 2011, entitled "Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism";

"**Existing ATB Commitment Letters**" means, collectively, (i) the equipment loan and security agreement dated as of June 19, 2023, and (ii) the equipment loan and security agreement dated as of December 21, 2023, each between ATB, as creditor, and the Borrower, as debtor;

"**Existing Commitment Letters**" means, collectively, the Existing ATB Commitment Letters, the Existing CWB Commitment Letter and the Existing Fiera Commitment Letter;

"**Existing CWB Commitment Letter**" means, the loan agreement between the Borrower, as borrower, and CWB, as lender, dated January 30, 2023, as amended prior to the date hereof;

"**Existing Fiera Commitment Letter**" means, the loan agreement between the Borrower, as borrower, and Integrated Private Debt Fund VI LP, by its sole general partner, Integrated Private Debt Fund GP Inc. (as predecessor to Fiera Private Debt Fund VI LP), as lender, dated July 19, 2019, as amended prior to the date hereof;

"**Existing KMC Holdings Note**" means the amended and restated subordinated promissory note initially issued by the Borrower in favour of KMC Holdings Limited Partnership on March 3, 2008 (amended and restated September 27, 2019), as amended prior to the date hereof;

"**Extending Lender**" has the meaning ascribed to it in Section 3.4(b);

"**Facilities**" means, collectively, the Term Facility, the Delayed Draw Facility, the Capex Facility and the Operating Facility;

"**FCPA**" means the *Foreign Corrupt Practices Act of 1977* (United States), including any subordinate legislation thereunder;

"**Federal Funds Rate**" means, for any day, the rate of interest per annum equal to (a) the weighted average (rounded upwards, if necessary, to the next 1/100th of one percent per annum) of the annual rates of interest on overnight Federal funds transactions with members of the Federal Reserve System (or any successor thereof) arranged by Federal funds brokers on such day, as published on the next succeeding Business Day by the Federal Reserve Bank of New York (or any successor thereto) or, (b) if such day is not a Business Day, such weighted average for the immediately preceding Business Day for which the same is published or, (c) if such rate is not so published for any day that is a Business Day, the average (rounded upwards, if necessary, to the next 1/100th of one percent per annum) of the quotations for such day on such transactions received by the Administrative Agent from three Federal funds brokers of recognized standing selected by the Administrative Agent; provided that, if the Federal Funds Rate would be less than the Floor on any day, then such rate shall be deemed to be the Floor on such day;

"**Federal Reserve System**" or "**Federal**" means the Board of Governors of the Federal Reserve System of the United States of America or any successor thereof;

"**Financial Assistance**" means, with respect to any Person and without duplication, any loan, Guarantee, indemnity, assurance, acceptance, extension of credit, loan purchase, share purchase, equity or capital

contribution, equity or capital investment or other form of direct or indirect financial assistance or support by such Person of any other Person or in respect of any obligation of such other Person (contingent or otherwise). The amount of any Financial Assistance is the amount of any loan, investment or other direct or indirect financial assistance or support, without duplication, given, unless the Financial Assistance is limited to a determinable amount, in which case the amount of the Financial Assistance is the determinable amount;

**"Financial LC"** means any Letter of Credit which the Fronting Lender, in accordance with its usual and customary practices, determines is a "financial letter of credit" for purposes of applicable capital adequacy guidelines;

**"Financial Lease"** means any lease of Property or any similar arrangement which would, in accordance with GAAP, be required to be classified and accounted for as a capital lease on a balance sheet of a lessee, where the lessee is the Borrower or a Subsidiary of the Borrower, but for certainty does not include an Operating Lease or a premises lease, in each case entered into in the ordinary course of business (and, for certainty, no Sale/Leaseback shall be considered to be entered into in the ordinary course of business);

**"Financing Charges"** means, for any fiscal period, without duplication, interest expense of the Borrower determined on a consolidated basis in accordance with GAAP, as the same would be set forth or reflected in a consolidated statement of income (loss) and deficit of the Borrower and, in any event, shall include:

- (a) all interest accrued or payable in respect of such period, including, without limitation, interest in respect of postponed Debt, capitalized interest and imputed interest with respect to lease obligations included as Debt, but excluding all interest accrued and not paid in respect of any Permitted Subordinated Debt;
- (b) all fees (including standby and commitment fees, acceptance fees in respect of bankers' acceptances and fees payable in respect of letters of credit, letters of guarantee and similar instruments) accrued or payable in respect of such period, prorated (as required) over such period;
- (c) any difference between the face amount and the discount proceeds of any bankers' acceptances, commercial paper and other obligations issued at a discount, prorated (as required) over such period;
- (d) the aggregate of all purchase discounts relating to the sale of accounts receivable in connection with any asset securitization program; and
- (e) all net amounts charged or credited to interest expense under any Interest Swap in respect of such period;

**"Financing Obligations"** means, for any fiscal period ending on the last day of a Fiscal Quarter and as determined on a consolidated basis in respect of the Borrower in accordance with GAAP, the aggregate amount of all: (a) Financing Charges during such period, and (b) scheduled payments in respect of any Permitted Indebtedness (including any Debt arising under this Agreement, any Bilateral Financial Services Agreement or a Permitted Swap) during such period; provided that, for the purposes of determining Financing Obligations as at:

- (a) the Effective Date and as at the Fiscal Quarter ended June 30, 2024, Financing Obligations shall be calculated based upon the amount of the Borrower's forecasted 12-month Financing Obligations, as set forth in the forecast delivered by the Borrower pursuant to Section 8.1(a)(iii);

- (b) the Fiscal Quarter ended September 30, 2024, Financing Obligations shall be calculated based upon the aggregate Financing Obligations calculated with respect to such Fiscal Quarter, together with the amount of the forecasted Financing Obligations for the immediately following three (3) Fiscal Quarters, as set forth in the forecast delivered by the Borrower pursuant to Section 9.1(v)(iv);
- (c) the Fiscal Year ended December 31, 2024, Financing Obligations shall be calculated based upon the aggregate Financing Obligations calculated with respect to the Fiscal Quarters ending September 30, 2024 and December 31, 2024, together with the amount of the forecasted Financing Obligations for the immediately following two (2) Fiscal Quarters, as set forth in the forecast delivered by the Borrower pursuant to Section 9.1(u)(iv);
- (d) the Fiscal Quarter ended March 31, 2025, Financing Obligations shall be calculated based upon the aggregate Financing Obligations calculated with respect to the Fiscal Quarters ending September 30, 2024, December 31, 2024 and March 31, 2025, together with the amount of the forecasted Financing Obligations for the immediately following Fiscal Quarter, as set forth in the forecast delivered by the Borrower pursuant to Section 9.1(v)(v); and
- (e) the Fiscal Quarter ended June 30, 2025 and as at each Fiscal Quarter thereafter, Financing Obligations shall be calculated on a trailing twelve-months' basis;

"**First Fixed Charge Equipment**" has the meaning ascribed to it in Section 6.1(b);

"**Fiscal Quarter**" means the three-month period commencing on the first day of each Fiscal Year and each successive three-month period thereafter during such Fiscal Year;

"**Fiscal Year**" means the Borrower's fiscal year commencing on January 1 of each year and ending on December 31 of such year;

"**Fixed Charge Coverage Ratio**" means, with respect to the Borrower (on a consolidated basis) for a four (4) Fiscal Quarter period, the ratio of:

- (a) EBITDA for such period, less the aggregate amount of:
  - (i) all amounts added back to Net Income in the calculation of EBITDA in respect of the provision for income taxes (in accordance with GAAP), to the extent paid in cash during such period;
  - (ii) all Unfunded Capital Expenditures made during such period; and
  - (iii) all Permitted Distributions (other than Permitted Distributions funded using the proceeds of the Facilities in accordance with the terms of this Agreement and any other Distributions otherwise approved by each of the Lenders hereunder) paid in cash during such period,

to

- (b) Financing Obligations for such period;

"**Floor**" means a rate of interest equal to 0.00% per annum;

**"Foreign Lender"** means any Lender that is organized under the laws of a jurisdiction other than that in which the Borrower is resident for tax purposes. For purposes of this definition, Canada and each province and territory thereof shall be deemed to constitute a single jurisdiction;

**"Fronted LC Commitment"** means the Fronting Lender's obligation hereunder to issue Letters of Credit on behalf of the Lenders under the Operating Facility for the account of the Borrower in an aggregate principal amount as set forth opposite the Fronting Lender's name in Schedule "A" hereto or in the Assignment and Assumption Agreement of the Fronting Lender as the Fronting Lender's Fronted LC Commitment or in an agreement between the Borrower and such Lender of which the Administrative Agent has received a copy, in any case, as such amount may hereafter be increased, decreased, cancelled or terminated from time to time pursuant to this Agreement;

**"Fronting Fee"** means the per annum fee to be charged by the Fronting Lender for the issuance of a Fronted Letter of Credit by the Fronting Lender and as agreed upon in writing by the Fronting Lender and the Borrower. In the absence of such a written agreement, the Fronting Fee Rate shall be 25 bps.

**"Fronting Lender"** means ATB and its successors and permitted assigns, and if ATB is not the Fronting Lender, another Lender as may be selected from time to time by the Administrative Agent and the Borrower, with the concurrence of such Lender, which assumes in writing with the Borrower and the Administrative Agent the obligation of issuing Letters of Credit on behalf of the Lenders under the Operating Facility;

**"GAAP"** means generally accepted accounting principles which are in effect from time to time in Canada including, for certainty, IFRS (but only to the extent IFRS is adopted by CPA or any successor thereto as generally accepted accounting principles in Canada and, then, subject to such modifications thereto as are agreed by CPA);

**"Governmental Action"** means an authorization, consent, approval, waiver, order, decree, licence, exemption, permit, registration, filing, qualification or declaration of or with any Governmental Authority (other than routine reporting requirements) or the giving of notice to any Governmental Authority or any other action in respect of a Governmental Authority;

**"Governmental Authority"** means the government of Canada or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank) and including a Minister of the Crown, the Superintendent of Financial Institutions or any other comparable or similar authority or agency;

**"Guarantee"** means any undertaking, whether direct or indirect, contingent or otherwise, to assume, guarantee, endorse, contingently agree to purchase or to provide funds for the payment of, or otherwise become liable in respect of, any indebtedness or liability of any Person, or indemnifying any Person against loss in any manner, whether direct or indirect; provided that the amount of each Guarantee shall be deemed to be the amount of the indebtedness or liability guaranteed, indemnified or assured thereby, unless the Guarantee is limited to a specified amount or to realization on specified Property, in which case the amount of such Guarantee shall be deemed to be the lesser of such specified amount or the fair market value of such specified Property, as the case may be, or the amount of such indebtedness or liability;

**"IFRS"** means International Financial Reporting Standards including International Accounting Standards and Interpretations together with their accompanying documents which are set by the International Accounting Standards Board, the independent standard-setting body of the International Accounting

Standards Committee Foundation (the "**IASC Foundation**"), and the International Financial Reporting Interpretations Committee, the interpretative body of the IASC Foundation;

"**Indemnified Taxes**" means Taxes other than Excluded Taxes;

"**Indemnitee**" has the meaning ascribed to it in Section 14.3(c);

"**Information**" has the meaning ascribed to it in Section 13.4;

"**Initial Capex Accommodations**" means Capex Accommodations provided on or after the Effective Date in an aggregate amount not exceeding \$7,500,000;

"**Initial Term Accommodations**" means Term Accommodations provided on the Effective Date in an aggregate amount not exceeding \$81,000,000;

"**Intellectual Property**" means all patents, trademarks, tradenames, copyrights, technology, software and other Property customarily considered to be intellectual property;

"**Interest Date**" means the last Business Day of each month;

"**Interest Period**" means:

- (a) in respect of each SOFR Loan, a period of 1, 3 or 6 months or such shorter period as may be agreed to by all of the Lenders (in each case, subject to the market availability thereof), with respect to such SOFR Loan; and
- (b) in respect of each CORRA Loan, a period of 1 or 3 months (in each case, subject to the market availability thereof), with respect to such CORRA Loan;

provided that (1) the Interest Period shall commence on and include the date of the Drawdown of, Conversion to or Rollover of such Borrowing, as applicable, and end on and exclude the last day of such Interest Period, and in the case of immediately successive Interest Periods, each successive Interest Period shall commence on and include the date on which the immediately preceding Interest Period expires; (2) if any Interest Period would otherwise expire on a day that is not a Business Day, such Interest Period shall expire on the next succeeding Business Day; provided, that if any Interest Period with respect to such Borrowing would otherwise expire on a day that is not a Business Day but is a day of the month after which no further Business Day occurs in such month, such Interest Period shall expire on the next Business Day; (3) any Interest Period with respect to such Borrowing that begins on the last Business Day of a month (or on a day for which there is not a numerically corresponding day in the month at the end of such Interest Period) shall end on the last Business Day of the relevant month at the end of such Interest Period; (4) no Interest Period shall extend beyond the Maturity Date; and (5) no tenor that has been removed from this definition pursuant to Section 11.5(a)(iv) shall be available for specification in such Borrowing Notice, Conversion Notice or Rollover Notice, as applicable, or interest election. For purposes hereof, the date of Borrowing initially shall be the date on which such Borrowing is made and thereafter shall be the effective date of the most recent Conversion or Rollover of such Borrowing;

"**Interest Swap**" means a contract entered into between a Person and a counterparty, on a case by case basis, in connection with interest rate swap transactions, interest rate options, cap transactions, floor transactions, collar transactions and other similar interest rate related transactions, the purpose and effect of which is to mitigate or eliminate such Person's exposure to fluctuations in interest rates;

**"Inventory"** means inventory of the Loan Parties (including raw materials, fuel, and finished goods but excluding work in progress);

**"ISDA Master Agreement"** means either the 1992 form of Master Agreement (Multi Currency-Cross Border) or the 2002 form of Master Agreement or any successor form thereof, in each case published and as from time to time amended, restated or replaced by the International Swaps and Derivatives Association, Inc. and as used in this Agreement in relation to Lender Swaps means the form of such agreement as entered into between the applicable Loan Party and the applicable Swap Lender;

**"LC Payment Period"** has the meaning ascribed to it in Section 5.5;

**"Lender Outstandings"** means collectively all Borrowings, Cash Management Obligations, Creditcard Obligations and Permitted Swap Indebtedness;

**"Lender Swap"** means any Swap entered into by any Loan Party where the other party (other than such Loan Party), at the time the Swap was entered into, is a Lender or an Affiliate of a Lender (whether or not such Lender remains a Lender thereafter) or in the case of CWB only, any financial institution that is a strategic partner of CWB and has entered into a Swap with any Loan Party facilitated by CWB for the purpose of providing Lender Swaps to such Loan Party on behalf of CWB, but only in respect of the Swaps facilitated by CWB, and such Secured Obligations provided by such strategic partner on behalf of CWB shall be considered to be Secured Obligations owing to CWB pursuant to this Agreement;

**"Lenders"** means the Persons listed on the signature pages hereto as Lenders and any other Person that shall have become party hereto pursuant to an Assignment and Assumption, other than any such Person that ceases to be a party hereto pursuant to an Assignment and Assumption, and **"Lender"** means any one of them;

**"Letter of Credit"** means a standby or documentary letter of credit or letter of guarantee in Cdn. Dollars issued under the Operating Facility by the Fronting Lender at the request of the Borrower pursuant to this Agreement, and which is either a Financial LC or a Non-Financial LC;

**"Letter of Credit Fee"** means a fee based on the applicable Senior Net Debt to EBITDA Ratio from the definition of "Applicable Margin" contained herein and expressed as a rate per 365 day period with respect to Letters of Credit issued by the Fronting Lender hereunder, and for purposes of calculating the Letter of Credit Fee with respect to Financial LCs or Non-Financial LCs, as applicable;

**"Loan Documents"** means this Agreement, the Loan Party Guarantee, all other Security, each application and indemnity with respect to a Letter of Credit, arrangement/syndication fee agreements, agency agreements, and all other agreements, certificates, instruments and documents delivered by or on behalf of any Loan Party in connection herewith or therewith from time to time and all future renewals, extensions, or restatements of, or amendments, modifications or supplements to, all or any part of the foregoing, but for greater certainty shall exclude any Bilateral Financial Services Agreements and Lender Swaps;

**"Loan Parties"** means, collectively, the Borrower and each Material Subsidiary;

**"Loan Party Guarantee"** means the unlimited liability loan party guarantee dated on or about the date hereof executed by each of the Loan Parties in existence on the Effective Date in favour of the Administrative Agent, for the benefit of the Secured Parties, guaranteeing the Secured Obligations of each other Loan Party then in existence, as amended or supplemented from time to time pursuant to one or more joinder agreements;

"**Loans**" means Prime Loans, CORRA Loans, U.S. Base Rate Loans and SOFR Loans;

"**Long-Term Incentive Programs**" means long term incentive programs established by the Borrower from time to time whereby executives, managers, directors, and advisors of the Borrower or its Subsidiaries may receive Equity Interests, or options to acquire Equity Interests, in the Borrower, as such programs may be amended by the Borrower from time to time;

"**Majority Lenders**" means:

- (a) when there are less than three Lenders, all of the Lenders;
- (b) during the continuance of a Default or an Event of Default when there are any Borrowings, and subject to Section 10.5(a), those Lenders to whom there is owing 66⅔% or more of the aggregate Borrowings under all of the Facilities; and
- (c) at any other time, those Lenders whose Commitments are, in the aggregate, at least 66⅔% of the Total Commitment;

provided that the Borrowings and Commitments of any Defaulting Lender shall be disregarded in determining Majority Lenders from time to time;

"**Mark-to-Market**" means, in respect of any Swap and for any day on which the Mark-to-Market is calculated, the amount, if any, that would be payable by any Loan Party to a counterparty (expressed as a positive number), or by such counterparty to such Loan Party (expressed as a negative number), estimated by making at mid-market the calculations required by the ISDA Master Agreement between such counterparty, on the one hand, and such Loan Party, on the other hand, as if such ISDA Master Agreement were being terminated as a result of a Termination Event (as defined in the ISDA Master Agreement) with two Affected Parties (as defined in the ISDA Master Agreement) on that day of calculation;

"**Material Adverse Effect**" means any event, circumstance, occurrence or change which would reasonably be expected to:

- (a) impair in any material manner the ability of any Loan Party to perform any of its obligations under this Agreement or any other Loan Document;
- (b) have any material and adverse effect upon the validity or enforceability of any of the Security or upon the ranking of any of the Security Interests granted thereby or the rights or remedies intended or purported to be granted to the Administrative Agent under or pursuant to the Security; or
- (c) be material and adverse to the business, operations, Property, condition (financial or otherwise), assets, liabilities (contingent or otherwise), capitalization or prospects of the Loan Parties;

"**Material Agreement**" means:

- (a) each agreement listed in Schedule "I";
- (b) each shareholder agreement (unanimous or otherwise), partnership agreement, and other constating or organizational document pertaining to a Loan Party;
- (c) any lease of real property at which Property of any Loan Party in excess of \$15,000,000 is located, held or stored at any time, including warehouses;

- (d) any document or agreement documenting a joint venture to which any Loan Party is a party;
- (e) all documents, licenses, instruments or agreements to which a Loan Party is a party or to which any Loan Party may be subject in respect of any of its Intellectual Property; and
- (f) any other contract (including any lease), undertaking, agreement or other instrument to which a Loan Party is a party or to which any of its Property may be subject:
  - (i) pursuant to which a Loan Party: (A) has generated revenues or incurred expenditures, in either case, greater than Cdn.\$15,000,000 (or the Equivalent Amount in any other currency) during the immediately preceding Fiscal Year, or (B) is projected to generate revenues or incur expenditures, in either case, greater than Cdn.\$15,000,000 (or the Equivalent Amount in any other currency) during the then current or immediately succeeding Fiscal Year; or
  - (ii) for which breach, non-performance, cancellation, termination or failure to renew would have or would reasonably be expected to have a Material Adverse Effect;

**"Material Subsidiary"** means each direct or indirect wholly-owned Subsidiary of the Borrower that:

- (a) has any Accounts Receivable or other Property taken into account in determining the Borrowing Base;
- (b) has or acquires a direct or indirect ownership interest in an existing Material Subsidiary;
- (c) owns more than 5% of the consolidated assets or accounts for more than 5% of the consolidated EBITDA of the Borrower; or
- (d) is designated by the Borrower as a Material Subsidiary in accordance with Section 9.4 and which has provided Security in accordance with Article 6, but only for so long as it remains, (i) in the case of a corporation, a corporation of which all shareholders are Loan Parties, (ii) in the case of a partnership, a partnership in which all partners are Loan Parties, and (iii) in the case of a trust, a trust in which all beneficiaries are Loan Parties, unless otherwise agreed to in writing by the Majority Lenders;

**"Maturity Date"** means the earlier of: (i) August 13, 2027, as such date may be extended from time to time pursuant to the provisions of Section 3.4, and (ii) the date on which the Facilities are terminated pursuant to Section 10.2;

**"Moody's"** means Moody's Investors Service, Inc. and any successors thereto;

**"Net Income"** means, for any fiscal period, the net income or net loss of the Borrower determined on a consolidated basis in accordance with GAAP, as set forth in the consolidated financial statements of the Borrower for such period;

**"Non-Consenting Lender"** means any Lender that does not approve any consent, waiver or amendment that: (a) requires the approval of all affected Lenders in accordance with the terms of Section 12.19, and (b) has been approved by the Majority Lenders;

**"Non-Defaulting Lender"** means, at any time, each Lender that is not a Defaulting Lender at such time;



"**Non-Extending Lender**" has the meaning ascribed to it in Section 3.4(b);

"**Non-Financial LC**" means a Letter of Credit that is not a Financial LC;

"**Non-Takeover Lenders**" has the meaning ascribed to it in Section 3.16(b);

"**Notice of Repayment**" means a notice to effect a repayment of Borrowings delivered under Section 3.10 and substantially in the form of Schedule "C" with all applicable blanks completed;

"**OFAC**" means The Office of Foreign Assets Control of the United States Department of the Treasury;

"**Old GAAP**" has the meaning ascribed to it in Section 1.5(b);

"**Operating Facility**" has the meaning ascribed to it in Section 3.1(a)(iv);

"**Operating Facility Commitment**" means, with respect to each Lender, such Lender's obligation to provide Operating Accommodations to the Borrower, subject to the terms of this Agreement, in an aggregate amount not at any time in excess of the amount set forth under such Lender's name on Schedule "A" (or in any Assignment and Assumption executed hereafter) as such Lender's Operating Accommodations Commitment (excluding, for certainty, its Fronted LC Commitment in the case of the Fronting Lender and its Swing Line Commitment in the case of the Swing Line Lender), as such amount may hereafter be cancelled, reduced, increased or terminated from time to time pursuant to the provisions of this Agreement;

"**Operating Lease**" means a lease of property which would have been classified as an operating lease under GAAP as in effect on December 31, 2018;

"**Other Taxes**" means all present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made hereunder or under any other Loan Document or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or any other Loan Document;

"**Overdraft**" means, in respect of the Operating Facility, an amount owing by the Borrower to the Swing Line Lender from time to time as a result of clearance of cheques or drafts drawn on, or transfers of funds from, applicable accounts that the Borrower maintains with the Swing Line Lender for such purpose;

"**Participant**" has the meaning ascribed to it in Section 13.1(d);

"**Payment Recipient**" has the meaning ascribed to it in Section 12.23(a);

"**Pension Plan**" means a plan or arrangement maintained, sponsored or funded by any Loan Party or in respect of which any Loan Party has any liability, contingent or otherwise, in each case, that is or is intended to be a "registered pension plan" as such term is defined in the *Income Tax Act* (Canada) (including any such plan that contains a "defined benefit provision" as such term is defined in the *Income Tax Act* (Canada));

"**Periodic Term CORRA Determination Day**" has the meaning assigned to it under the definition of "Term CORRA";

"**Periodic Term SOFR Determination Day**" has the meaning assigned to it under the definition of "Term SOFR";

**"Permitted Acquisition"** means:

- (a) any acquisition of Inventory, assets, Equipment, vehicles, supplies, components, accessories, real property, property, structures, fixtures, and other similar items used in operations or activities relating to the business of the Loan Parties as then conducted, and acquired in the ordinary course of the Loan Parties' business, including without limiting the generality of the foregoing, Permitted Capital Expenditures and acquisitions contemplated pursuant to paragraphs (l) and (m) of the "Permitted Encumbrances" definition;
- (b) the repurchase or redemption of Equity Interests acquired by employees of the Borrower pursuant to Long-Term Incentive Programs or similar compensation plans; provided that the aggregate amount of the purchase price paid by the Borrower in respect of such repurchase or redemption does not exceed \$1,000,000 in any Fiscal Year; and
- (c) any other acquisition which is consented to in writing by the Administrative Agent on behalf of the Majority Lenders;

**"Permitted Capital Expenditure"** means a Capital Expenditure pertaining to the acquisition, maintenance, or improvement of physical assets of a Loan Party, whether undertaken through third party service providers or internally by the Loan Parties;

**"Permitted Contest"** means any action taken by a Loan Party in good faith by appropriate proceedings diligently pursued to contest or appeal any Taxes, Security Interests or other claims (each, a **"contest"**), provided that:

- (a) such Loan Party has established reasonable reserves for such contest in accordance with GAAP;
- (b) proceeding with such contest does not have, and would not reasonably be expected to have a Material Adverse Effect; and
- (c) proceeding with such contest will not create a material risk of sale, forfeiture or loss of, or interference with the use or operation of, a material part of the Property of such Loan Party;

**"Permitted Dispositions"** means, in respect of the Loan Parties:

- (a) a Disposition of Inventory in the ordinary course of business and in keeping with prudent industry practice;
- (b) a Disposition of any tools, implements, parts, Equipment or machinery which may have become worn out, unserviceable, obsolete, unsuitable or unnecessary in its operations or activities relating to the business of the Loan Parties, provided that such Disposition is in the ordinary course of business and in keeping with prudent industry practice;
- (c) a Disposition of assets traded or otherwise Disposed of in the ordinary course of business in order to acquire or improve assets of equal or better value;
- (d) a Disposition by a Loan Party to another Loan Party;
- (e) leases and licenses granted to other Persons in the ordinary course of business;

- (f) abandonments, surrenders or terminations of immaterial rights or interests effected in the ordinary course of business in accordance with prudent industry practice;
- (g) a Disposition of Accounts Receivable by any Loan Party at fair market value to a Permitted Factoring Facility Purchaser pursuant to the Permitted Factoring Facility;
- (h) any Disposition of Property not otherwise described in paragraphs (a) through (g) above, provided that the aggregate fair market value of the Property so Disposed of, taken in the aggregate with the fair market value of all such Dispositions by all Loan Parties in such Fiscal Year, does not exceed \$1,000,000 (or the Equivalent Amount in any other currency);
- (i) any Disposition of Property in any Fiscal Year the fair market value of which exceeds the amount permitted under paragraph (h) above, provided that 100% of the net cash proceeds thereof (for certainty, net of reasonable, *bona fide* transaction fees, costs and expenses incurred in connection with such Disposition) are re-invested into similar Property within 180 days of receipt thereof or immediately used to repay Borrowings pursuant to and in accordance with Section 4.1(c); or
- (j) any other Disposition which is consented to in writing by the Administrative Agent on behalf of the Majority Lenders;

provided further that, in the case of a Disposition referenced in paragraphs (g), (h) or (i) above, no Default, Event of Default or Borrowing Base Shortfall has occurred and is continuing immediately prior to such Disposition or would result therefrom;

**"Permitted Distributions"** means, for the Loan Parties, Distributions:

- (a) made or contemplated to be made on the Effective Date using the proceeds of Accommodations under the Facilities in accordance with the Closing Direction to Pay;
- (b) made among Loan Parties;
- (c) made to The Klemke Foundation under the Subordinated Note and the Subordinated Note Settlement Agreement; provided that either: (i) such Distributions are funded exclusively using the proceeds of a Term Accommodation and all conditions precedent to the advance of such proceeds, as set forth in Sections 8.1 or 8.4, have been satisfied, or (ii) immediately after giving effect to such Distributions, the Senior Debt to EBITDA Ratio (calculated on a *pro forma* basis, after giving effect thereto) shall not be greater than 2.50 to 1.00; and the Administrative Agent shall have received a certificate, in form and substance satisfactory to the Administrative Agent, executed by an officer of the Borrower, not less than ten (10) Business Days before such Distribution is made (or given effect to, or steps or procedures implemented to make such Distribution), attaching thereto a calculation of the projected Senior Debt to EBITDA Ratio, and certifying that, after giving effect to such Distribution, no Default, Event of Default or Borrowing Base Shortfall exists or would reasonably be expected to result therefrom;
- (d) comprising consulting fees paid to Persons Controlled by senior management of the Borrower pursuant to the express terms of personal services contracts, consulting agreements or similar documents that have been provided to and are in form and substance acceptable to the Administrative Agent, acting reasonably;

- (e) made to employees of the Loan Parties with respect to the repurchase or redemption of Equity Interests acquired by such employees pursuant to Long-Term Incentive Programs or similar compensation plans in an aggregate amount not exceeding \$1,000,000 in any Fiscal Year; and
- (f) not otherwise described in this definition which all of the Lenders have consented to in writing (including, for certainty, any Distributions paid using the proceeds of the Facilities in accordance with the terms and conditions set forth in Section 3.5);

and provided further that, with respect to any Distributions of the type described in paragraphs (a), (b), (c), (e) or (f) above no Default, Event of Default or Borrowing Base Shortfall has occurred and is continuing immediately prior to giving effect to such Distribution or would reasonably be expected to result therefrom;

**"Permitted Encumbrances"** means any of the following Security Interests:

- (a) Security Interests for Taxes, assessments or governmental charges and any other statutory Security Interests which are either not due or delinquent or relate to claims which are subject to a Permitted Contest;
- (b) any Security Interest arising in connection with worker's compensation, unemployment insurance, pension and employment laws, or other social benefits laws or regulations which are:
  - (i) not due or delinquent and which have not at such time been filed pursuant to law and no other statutory proceedings have been taken to enforce the same; or
  - (ii) subject to a Permitted Contest;
- (c) the Security Interest of any judgment rendered, or claim filed, against a Loan Party, in each case, in an amount not exceeding \$1,000,000 (or the Equivalent Amount in any other currency) and which is subject to a Permitted Contest, provided that no proceedings have been taken to enforce the same or the execution thereof has been stayed;
- (d) undetermined or inchoate Security Interests arising in the ordinary course of business and incidental to construction or current operations which relate to obligations not due or delinquent or which have not at such time been filed pursuant to law, and no other statutory proceedings have been taken to enforce the same or which are subject to a Permitted Contest;
- (e) Security Interests arising by operation of law such as garagekeepers' liens, builder's liens, carriers' liens, materialmens' liens and other liens of a similar nature which relate to obligations not due or delinquent or which are subject to a Permitted Contest;
- (f) easements, rights-of-way, servitudes or other similar rights in real property (including rights-of-way and servitudes for railways, sewers, drains, pipe lines, gas and water mains, electric light and power and telephone or telegraph or cable television conduits, poles, wires and cables) granted to or reserved or taken by other Persons and other minor defects, encumbrances and restrictions which either alone or in the aggregate do not materially detract from the value of such real property or materially impair its use in the operation of the business of such Loan Party;
- (g) Security Interests given by a Loan Party to a public utility or any municipality or other Governmental Authority when required by such public utility, municipality or other Governmental Authority in the ordinary course of the business of such Loan Party provided such Security Interests

do not either alone or in the aggregate materially detract from the value of the Property affected thereby or materially impair its use in the operation of the business of such Loan Party;

- (h) inchoate liens or any rights of distress reserved in or exercisable under any real property lease or sublease to which any Loan Party is a lessee which secure the payment of rent or compliance with the terms of such lease or sublease, provided that such rent is not then overdue and such Loan Party is then in compliance in all material respects with such terms or which are subject to a Permitted Contest;
- (i) liens securing the performance of bids, tenders, leases, contracts (other than for the repayment of borrowed money), surety and appeal bonds and performance bonds and other obligations of like nature, incurred as an incident to and in the ordinary course of business;
- (j) the Security Interests granted under the Security and any Security Interests created in favour of the Administrative Agent pursuant to any of the Loan Documents;
- (k) reservations, limitations, provisos and conditions expressed in any original grant from the Crown of any real property or interests therein and statutory exceptions to title;
- (l) Security Interests constituted by Financial Leases and Sale/Leasebacks other than the Financial Leases and Sale/Leasebacks referenced in paragraph (n) below; provided, in each case, that such Security Interests are limited to the Property so financed or Disposed of;
- (m) Purchase Money Security Interests other than the Purchase Money Security Interests referenced in paragraph (n) below; provided that such Security Interests are: (i) granted at the time of or within sixty (60) days of the acquisition of the Property subject thereto, and (ii) limited to the Property so acquired;
- (n) Security Interests constituted by Financial Leases, Sale/Leasebacks, or Purchase Money Security Interests over or in respect of the Refinanced Equipment;
- (o) Security Interests granted in favour of a Permitted Factoring Facility Purchaser over (and limited to) Accounts Receivable of any Loan Party Disposed of by such Loan Party to such Permitted Factoring Facility Purchaser pursuant to the Permitted Factoring Facility;
- (p) Security Interests granted prior to the Effective Date as security for Debt arising under the Subordinated Note;
- (q) Security Interests constituted by Financial Leases, Sale/Leasebacks, Purchase Money Security Interests or any other Security Interests over or in respect of the Excluded Equipment; and
- (r) all such other claims and encumbrances as are specifically disclosed by notice in writing from the Borrower to the Administrative Agent to the extent that the Majority Lenders, by specific notice in writing to the Borrower, consent to such claims and encumbrances as Permitted Encumbrances;

provided that, in respect of paragraphs (l) and (m) above, (i) the amounts so secured are not, in the aggregate, in excess of \$75,000,000 (or the Equivalent Amount in any other currency) at any one time for all Loan Parties, and (ii) no Default, Event of Default or Borrowing Base Shortfall has occurred and is continuing immediately prior to the granting of such Security Interests or would reasonably be expected to result therefrom;

**"Permitted Factoring Facility"** means an accounts receivable purchase facility or similar arrangement pursuant to which a Loan Party may Dispose of Accounts Receivable from time to time to a Permitted Factoring Facility Purchaser, in an aggregate amount not exceeding \$40,000,000 at any time, provided that: (a) all Dispositions thereunder constitute "true sales" and "absolute transfers" of such Accounts Receivable and do not constitute Debt, and (b) recourse to any Loan Party under or in connection with such arrangement is limited to false or misleading representations or warranties, breaches of customary covenants and customary indemnities provided with respect to such Accounts Receivable, as determined by the Borrower in good faith for similar transactions;

**"Permitted Factoring Facility Purchaser"** means any Person which is arm's length from the Loan Parties and their respective Affiliates;

**"Permitted Financial Assistance"** means, with respect to any Loan Party, Financial Assistance provided to, or for the benefit of:

- (a) another Loan Party; or
- (b) (i) a Permitted Joint Venture or (ii) any other joint venture to which a Loan Party is a party in an aggregate amount not exceeding \$1,000,000 at any time; provided that, in each case, no Default, Event of Default or Borrowing Base Shortfall has occurred and is continuing immediately prior to the granting of such Financial Assistance or would reasonably be expected to result therefrom;

**"Permitted Indebtedness"** means:

- (a) Debt of a Loan Party to the Administrative Agent, the Lenders, the Swap Lenders, the Cash Management Lenders and the Creditcard Lenders under this Agreement, any Bilateral Financial Services Agreement or a Permitted Swap;
- (b) Debt of a Loan Party to another Loan Party;
- (c) Debt to the extent constituting Permitted Financial Assistance;
- (d) Debt secured by a Permitted Encumbrance provided that such Debt is within any applicable limitations provided for in the definition of "Permitted Encumbrances";
- (e) Permitted Subordinated Debt; and
- (f) such other Debt of a Loan Party which the Majority Lenders have consented to in writing;

**"Permitted Joint Venture"** means: (a) the joint venture between the Borrower and Fort McKay Strategic Services Limited Partnership, operating as KMFJ Joint Venture, and (b) the joint venture between the Borrower and McKay Metis Group for the provision of labour to customers;

**"Permitted Subordinated Debt"** means, collectively:

- (a) Debt arising under the Subordinated Note, subject to the terms and conditions of the Subordinated Note Settlement Agreement and the Subordination Agreement; and
- (b) any other Debt of a Loan Party to a shareholder or other Affiliate thereof (other than another Loan Party), which is on terms and conditions satisfactory to the Lenders, acting reasonably, and without limitation, has all of the following characteristics:

- (i) such Debt is not, by its terms, payable on demand, and the primary terms of such Debt including its interest rate, payment schedule, maturity date and the proposed use of funds, are all satisfactory to Lenders;
- (ii) the maturity date of such Debt is at least six (6) months later than the then applicable Maturity Date;
- (iii) no principal payments thereon are required to be made (except upon acceleration after default but subject always to a written subordination agreement with the Administrative Agent, in form and substance acceptable to the Administrative Agent and the Lenders) until at least six (6) months after the then applicable Maturity Date;
- (iv) such Debt is unsecured or with respect to which all Security Interests, if any, held for such Debt have been fully subordinated to the Security; and
- (v) all payments in respect thereof have been fully and absolutely subordinated and postponed in favour of the Secured Obligations pursuant to a written subordination agreement with the Administrative Agent, in form and substance acceptable to the Administrative Agent and the Lenders;

"**Permitted Swap Indebtedness**" means Swap Indebtedness of any Loan Party to a Swap Lender under a Permitted Swap and for which the only security is the Security;

"**Permitted Swaps**" means any Swap permitted by the provisions of Section 9.2(l);

"**Person**" means any natural person, corporation, limited liability company, unlimited liability company, trust, association, unincorporated organization, company, partnership, Governmental Authority or any department or agency thereof or other entity;

"**Platform**" has the meaning ascribed to it in Section 14.7(d)(i);

"**PPSA**" means the *Personal Property Security Act* (Alberta) and any regulations issued thereunder;

"**Prime Loans**" means the advances or any portion thereof made available by the Lenders to the Borrower pursuant to either Section 3.6, 3.9, 3.12, 3.13 or 3.14 and outstanding from time to time, which are denominated in Canadian Dollars and on which the Borrower has agreed to pay interest in accordance with Section 5.1;

"**Prime Rate**" means, with respect to Prime Loans on any day, the greater of:

- (a) the annual rate of interest announced from time to time by the Administrative Agent as being its reference rate then in effect for determining interest rates on Canadian Dollar-denominated commercial loans made by the Administrative Agent in Canada; and
- (b) the annual rate of interest equal to Adjusted Term CORRA for an Interest Period of one (1) month in effect on such day plus 100 bps;

provided that, if the rate determined above shall ever be less than the Floor, such rate shall be deemed to be the Floor for purposes of this Agreement;

**"Priority Payables"** means, at any time, the aggregate of all amounts owing or required to be paid by a Loan Party where the failure to pay any such amount could give rise to a claim which, pursuant to any Applicable Law ranks or is capable of ranking in priority to or *pari passu* with the Security Interests created by the Security, including, as applicable, amounts owing for wages (to the extent such amounts are outstanding for greater than 30 days), amounts owing for vacation pay (to the maximum availability under the *Wage Earner Protection Program Act* (Canada)), amounts owing for termination and severance pay, employee deductions (including income, withholding, social security and other employment taxes), sales tax, excise tax, tax payable pursuant to Part IX of the *Excise Tax Act* (Canada) (net of GST input credits), workers compensation premiums, government royalties, Pension Plan obligations, overdue rents or taxes, any holdbacks pursuant to the *Builders' Lien Act* (Alberta) (or any other similar legislation), any unpaid amounts (beyond the agreed terms of repayment for such unpaid amounts) for supplied materials or services which give the supplier or provider thereof the right to assert a Security Interest or holdback claim, and any other statutory or other claims that have or may have priority over, or rank *pari passu* with, the Security Interests created by the Security;

**"Property"** means, with respect to any Person, all or any portion of its undertaking, property, equipment and assets for the time being, both real and personal, tangible and intangible, and including, for greater certainty, cash, securities, accounts and contract rights;

**"Proportionately"** means, subject to adjustment pursuant to Section 10.8, the proportion that the Lender Outstandings of any Lender, Swap Lender, Cash Management Lender or Creditcard Lender, as applicable, bears to the aggregate of the Lender Outstandings of all Lenders, Swap Lenders, Cash Management Lenders and Creditcard Lenders, as determined at the Adjustment Time;

**"Purchase Money Security Interest"** means:

- (a) a Security Interest taken or reserved in Property to secure payment of all or part of its purchase price; and
- (b) a Security Interest taken in Property by a Person who gives value for the purpose of enabling a Loan Party to acquire rights in such Property, to the extent that the value is applied to acquire those rights;

but does not include a Financial Lease or an Operating Lease;

**"Refinanced Equipment"** means the Equipment set forth in Schedule "J";

**"Register"** has the meaning ascribed to it in Section 13.1(c);

**"Related Parties"** means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person's Affiliates;

**"Release"** means any release, spill, emission, leaking, pumping, pouring, injection, escaping, deposit, disposal, discharge, leeching or migration of any element or compound in or into the indoor or outdoor environment (including the abandonment or disposal of any barrels, tanks, containers or receptacles containing any contaminant), or in, into or out of any vessel or facility, including the movement of any contaminant through the air, soil, subsoil, surface, water, groundwater, rock formation or otherwise;

**"Relevant Governmental Body"** means:



- (a) in respect of any SOFR Loan (or any Benchmark Replacement thereof), the Federal Reserve Board or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board or the Federal Reserve Bank of New York, or any successor thereto; and
- (b) in respect of any CORRA Loan (or any Benchmark Replacement thereof), the Bank of Canada, or a committee officially endorsed or convened by the Bank of Canada, or any successor thereto;

"**Removal Effective Date**" has the meaning ascribed to it in Section 12.6(b);

"**Request for Extension**" means a request from the Borrower for an extension of a Maturity Date pursuant to Section 3.4(a) substantially in the form attached as Schedule "E";

"**Requested Lender**" has the meaning ascribed to it in Section 3.4(a);

"**Resignation Effective Date**" has the meaning ascribed to it in Section 12.6(a);

"**Resolution Authority**" means, with respect to an EEA Financial Institution, a Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority;

"**Rollover**" means, with respect to any SOFR Loan or any CORRA Loan, the continuation of all or a portion of such SOFR Loan or CORRA Loan, as applicable, (subject to the provisions hereof) for an additional Interest Period subsequent to the initial or any subsequent Interest Period applicable thereto, all in accordance with Section 3.13;

"**Rollover Date**" means that date that a Rollover is to be made pursuant to a Rollover Notice;

"**Rollover Notice**" means a notice to effect a Rollover delivered under Section 3.13 and substantially in the form of Schedule "C" with all applicable blanks completed;

"**S&P**" means the S&P Global Ratings, a division of S&P Global Inc. and any successors thereto;

"**Sale/Leaseback**" means an arrangement under which title to any Property, or an interest therein, is transferred by a Person (the "**First-Mentioned Person**") to some other Person which leases or otherwise gives or grants the right to use such Property or interest therein to the First-Mentioned Person, whether or not in connection therewith the First-Mentioned Person also acquires a right or is subject to an obligation to re-acquire the Property or interest, and regardless of the accounting treatment of such arrangement;

"**Sanctioned Person**" means:

- (a) a Person that is designated under, listed on, or owned or controlled by a Person designated under or listed on, or acting on behalf of a Person designated under or listed on, any Sanctions List;
- (b) a Person that is located in, incorporated under the laws of, or owned or (directly or indirectly) controlled by, or acting on behalf of, a Person located in or organized under the laws of a country, region or territory that is the target of country-wide or territory-wide Sanctions;
- (c) a Person that is otherwise a target of Sanctions ("target of Sanctions" signifying a Person with whom a Person or other national of a Sanctions Authority would be prohibited or restricted by law from engaging in trade, business or other activities); or
- (d) any other Person to which one or more Lenders would not be permitted to make a loan, or provide funding, in accordance with the Sanctions, or otherwise deal with pursuant to the Sanctions;

"**Sanctions**" means the economic sanctions laws, regulations, embargoes or restrictive measures administered, enacted or enforced by any Sanctions Authority, including any sanctions or requirements imposed by, or based upon the obligations or authorities set forth in, the *Special Economic Measures Act* (Canada), the *United Nations Act* (Canada), the *Criminal Code* (Canada), the *Freezing of Assets of Corrupt Foreign Officials Act* (Canada), the Executive Order, the *U.S. Bank Secrecy Act* (31 U.S.C. §§ 5311 et seq.), the *U.S. Money Laundering Control Act of 1986* (18 U.S.C. §§ 1956 et seq.), the *USA Patriot Act of 2001*, the *U.S. International Emergency Economic Powers Act* (50 U.S.C. §§ 1701 et seq.), the *U.S. Trading with the Enemy Act* (50 U.S.C. App. §§ 1 et seq.), the *U.S. United Nations Participation Act*, the *U.S. Syria Accountability and Lebanese Sovereignty Act*, the *U.S. Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010* or the *Iran Sanctions Act* (United States), or any of the foreign assets control regulations of the U.S. Department of the Treasury (including but not limited to 31 CFR, Subtitle B, Chapter V) or any other law or executive order relating thereto or regulation administered by OFAC;

"**Sanctions Authority**" means any of: (a) the Canadian government; (b) the United States government; (c) the United Nations; (d) the European Union; (e) the United Kingdom; or (f) the respective governmental institutions, departments and agencies of any of the foregoing, including Foreign Affairs, Trade and Development Canada, Public Safety Canada, OFAC, the United States Department of State, and His Majesty's Treasury of the United Kingdom;

"**Sanctions List**" means the "Specially Designated Nationals and Blocked Persons" list maintained by OFAC, the Consolidated List of Financial Sanctions Targets and the Investment Ban List maintained by His Majesty's Treasury of the United Kingdom, or any substantially similar list maintained by, or public announcement of Sanctions designation made by, any of the Sanctions Authorities;

"**Scheduled Borrowing Base Redetermination**" has the meaning ascribed to it in Section 3.7(a);

"**Scheduled Repayment Date**" has the meaning ascribed to it in Section 4.1(a);

"**Secured Obligations**" at any time means, in relation to the Loan Documents and the other Credit Documents, all indebtedness, financial obligations and financial liabilities of each Loan Party to the Secured Parties, direct or indirect, present or future, absolute or contingent and matured or not, including the aggregate at any such time of:

- (a) the Lender Outstandings and all accrued and unpaid interest outstanding in respect of Prime Loans and all other interest and fees payable pursuant to Article 5;
- (b) the Creditcard Obligations;
- (c) the Cash Management Obligations;
- (d) all other Swap Indebtedness; and
- (e) all fees, expenses, reimbursement obligations, indemnities (including environmental indemnities included in the Security) and other amounts of any nature or kind that are payable under this Agreement or any other Loan Documents or Credit Documents but not included in any of the foregoing, whether matured or unmatured;

"**Secured Parties**" means, collectively and without duplication, the Administrative Agent, the Lenders, the Swap Lenders, the Cash Management Lenders and the Creditcard Lenders;

"**Security**" has the meaning ascribed thereto in Section 6.1 and, for certainty, includes all documents, instruments or agreements directly or indirectly assuring or securing the Secured Parties in respect of the Secured Obligations, any amendments to any of the foregoing, any indentures or instruments supplemental to or in implementation of any of the foregoing, and any and all other documents, instruments or agreements pursuant to which the Secured Parties are assured or granted or receive a Security Interest pursuant to the terms hereof (including as provided in Section 6.1) or thereof;

"**Security Interest**" means any assignment, mortgage, charge, pledge, lien, hypothec, encumbrance securing or in effect securing an obligation or any indebtedness of any Person, conditional sale, title retention agreement or security interest whatsoever, howsoever created or arising, whether absolute or contingent, fixed or floating, legal or equitable, perfected or not, and includes the rights of a lessor pursuant to a Financial Lease, Sale/Leaseback or any other lease financing (but not under an Operating Lease or a premises lease, in each case entered into in the ordinary course of business, and, for certainty, no Sale/Leaseback shall be considered to be entered into in the ordinary course of business) and the rights of a purchaser under an absolute or limited recourse sale or factoring of accounts receivable or other asset securitization program, but does not include a right of set-off or a set-off unless such right of set-off has been created expressly for the purpose of securing Debt;

"**Senior Debt**" means, as at any particular time and as determined in respect of the Borrower on a consolidated basis in accordance with GAAP, the aggregate amount of all Debt at such time, but excluding Permitted Subordinated Debt, and including, for certainty, all Debt arising under Permitted Encumbrances;

"**Senior Debt to EBITDA Ratio**" means as at the end of any Fiscal Quarter, the ratio of (a) Senior Debt as at the end of such Fiscal Quarter to (b) EBITDA for the twelve (12) months ending at the end of such Fiscal Quarter;

"**Senior Net Debt**" means, as at any particular time and as determined in respect of the Borrower on a consolidated basis in accordance with GAAP, the aggregate amount of all Senior Debt at such time, less the amount of any Unrestricted Cash in an amount not exceeding Cdn.\$20,000,000;

"**Senior Net Debt to EBITDA Ratio**" means as at the end of any Fiscal Quarter, the ratio of (a) Senior Net Debt as at the end of such Fiscal Quarter to (b) EBITDA for the twelve (12) months ending at the end of such Fiscal Quarter;

"**SG&A**" means, for any period, the selling, general and administrative expenses of the Borrower, on a consolidated basis, from time to time, as presented in the consolidated income statement of the Borrower in accordance with GAAP;

"**SOFR**" means a rate per annum equal to the secured overnight financing rate as administered by the SOFR Administrator;

"**SOFR Administrator**" means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate);

"**SOFR Interest Date**" means the date falling on the last day of each Interest Period in respect of a SOFR Loan; provided that if the Borrower selects an Interest Period for a period longer than three (3) months, the SOFR Interest Date shall be each date falling every three (3) months after the beginning of such Interest Period and the date falling on the last day of such Interest Period;

"**SOFR Loan**" means an Accommodation that bears interest at a rate based on Adjusted Term SOFR, other than pursuant to clause (c) of the definition of "U.S. Base Rate";

**"Solvent"** means, with respect to any Person, on a particular date, that on such date, (a) such Person is not for any reason unable to meet its obligations as they generally become due, (b) the aggregate Property of such Person is, at a fair valuation, sufficient, or, if disposed of at a fairly conducted sale under legal process, would be sufficient, to enable payment of all its obligations, due and accruing due, and (c) such Person has not ceased paying its current obligations in the ordinary course of business as they generally become due; for purposes of this definition, the amount of any contingent obligation at such time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability;

**"Spot Rate"** means, in relation to the conversion of one currency into another currency, the spot rate of exchange for such conversion as quoted by the Bank of Canada at the close of business on the Business Day that such conversion is to be made (or, if such conversion is to be made before close of business on such Business Day, then at approximately close of business on the immediately preceding Business Day), and, in either case, if no such rate is quoted, the spot rate of exchange quoted for wholesale transactions by the Administrative Agent on the Business Day such conversion is to be made in accordance with its normal practice;

**"Standby Fee Rate"** means, at any time, the rate, expressed as a rate per annum based on a year of 365 days, as set forth in the table in the definition of "Applicable Margin" in this Agreement, under the heading "Standby Fees (bps)", based on the applicable Level therein;

**"Subject Maturity Date"** has the meaning ascribed to it in Section 3.4(a);

**"Subordinated Note"** means the amended and restated subordinated promissory note dated as of August 13, 2024, in the principal amount of \$49,290,859.45, issued by the Borrower in favour of The Klemke Foundation, as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time in accordance with the terms and conditions of the Subordination Agreement;

**"Subordinated Note Settlement Agreement"** means the debt repayment agreement dated as of August 13, 2024 entered into by the Borrower and The Klemke Foundation in connection with the Subordinated Note, as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time in accordance with the terms and conditions of the Subordination Agreement;

**"Subordination Agreement"** means the subordination agreement dated as of the Effective Date, in form and substance acceptable to each of the Lenders, among the Administrative Agent, The Klemke Foundation and the Borrower;

**"Subsidiary"** means:

- (a) a Person of which another Person alone or in conjunction with its other Subsidiaries owns an aggregate number of the Voting Shares sufficient to enable the election of a majority of the directors (or other Persons performing similar functions) regardless of the manner in which other Voting Shares are voted;
- (b) a Person of which another Person alone or in conjunction with its other Subsidiaries has, through the operation of any agreement or otherwise, the ability to elect or cause the election of a majority of the directors (or other Persons performing similar functions) or otherwise exercise control over the management and policies of such Person; and
- (c) any partnership or trust of which any Loan Party:

- (i) is the general or managing partner or trustee; or
- (ii) directly or indirectly owns more than 50% of the Equity Interests or beneficial interest thereof;

and shall include any Person in like relation to a Subsidiary;

"**Swap**" means a Commodity Swap, Currency Swap or Interest Swap;

"**Swap Demand for Payment**" means a demand made by a Swap Lender pursuant to an agreement evidencing a Lender Swap demanding payment of all obligations relating thereto and shall include any notice under any agreement evidencing a Lender Swap which, when delivered, would require an early termination thereof and may require a payment by any Loan Party in settlement of obligations thereunder as a result of such early termination;

"**Swap Indebtedness**" means, at any time, the aggregate amount owing by the Loan Parties under all Lender Swaps, and when such amount is calculated at any time on or after the Adjustment Time means, for each Swap Lender an amount determined by such Swap Lender by calculating for each of its Lender Swaps, the Termination Amount and determining the difference, if positive, of the aggregate net amounts payable by any Loan Party to such Swap Lender;

"**Swap Lender**" means a Person which, at the time that it entered into any Swap with any Loan Party, was a Lender or an Affiliate of a Lender;

"**Swing Line Borrowing**" means a Borrowing by way only of (a) a Prime Loan, (b) a U.S. Base Rate Loan, or (c) Overdraft, in each case, made under the Operating Facility only by the Swing Line Lender in accordance with Section 3.14;

"**Swing Line Commitment**" means the Swing Line Lender's obligation hereunder to make Swing Line Borrowings available to the Borrower under the Operating Facility in an aggregate principal amount (or the Equivalent Amount in U.S. Dollars or any combination thereof), not at any time in excess of the amount set forth opposite such Lender's name on Schedule "A" from time to time, as such Swing Line Commitment may hereafter be increased, cancelled, reduced or terminated from time to time pursuant to the provisions of this Agreement;

"**Swing Line Lender**" means ATB, in its capacity as provider of the Swing Line Borrowings hereunder, up to its Swing Line Commitment, and any successor pursuant to terms hereof;

"**Takeover**" has the meaning ascribed to it in Section 3.16;

"**Takeover Lender**" has the meaning ascribed to it in Section 3.16(a);

"**Takeover Loan**" has the meaning ascribed to it in Section 3.16(b);

"**Target**" has the meaning ascribed to it in Section 3.16;

"**Taxes**" means all present or future taxes, levies, imposts, duties, deductions, withholdings, assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto;

"**Term CORRA**" means, for any calculation with respect to a Term CORRA Loan or a Prime Loan, the Term CORRA Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the "**Periodic Term CORRA Determination Day**") that is two (2) Business Days prior to the first day of such Interest Period, as such rate is published by the Term CORRA Administrator; provided, however, that if as of 1:00 p.m. (Toronto time) on any Periodic Term CORRA Determination Day the Term CORRA Reference Rate for the applicable tenor has not been published by the Term CORRA Administrator and a Benchmark Replacement Date with respect to the Term CORRA Reference Rate has not occurred, then Term CORRA will be the Term CORRA Reference Rate for such tenor as published by the Term CORRA Administrator on the first preceding Business Day for which such Term CORRA Reference Rate for such tenor was published by the Term CORRA Administrator so long as such first preceding Business Day is not more than three (3) Business Days prior to such Periodic Term CORRA Determination Day (and if such first preceding Business Day is more than three (3) Business Days prior to such Periodic Term CORRA Determination Day, Section 11.5(b) will apply); provided, further, that if Term CORRA shall ever be less than the Floor, then Term CORRA shall be deemed to be the Floor;

"**Term CORRA Administrator**" means Candean Benchmark Administration Services Inc., TSX Inc., or any successor administrator;

"**Term CORRA Loan**" means an Accommodation that bears interest at a rate based on Adjusted Term CORRA, other than pursuant to clause (b) of the definition of "Prime Rate";

"**Term CORRA Reference Rate**" means the forward-looking term rate based on CORRA;

"**Term Facility**" has the meaning ascribed to it in Section 3.1(a)(i);

"**Term Facility Commitment**" means, with respect to each Lender, such Lender's obligation to provide Term Accommodations to the Borrower, subject to the terms of this Agreement, in an aggregate amount not at any time in excess of the amount set forth under such Lender's name on Schedule "A" (or in any Assignment and Assumption executed hereafter) as such Lender's Term Facility Commitment (including, for certainty, with respect to the Initial Term Accommodations and the Deferred Term Accommodations), as such amount may hereafter be cancelled, reduced, increased or terminated from time to time pursuant to the provisions of this Agreement;

"**Term Facility Availability End Date**" means August 13, 2025;

"**Term SOFR**" means, for any calculation with respect to a SOFR Loan or a U.S. Base Rate Loan, the Term SOFR Reference Rate (rounded upward to the nearest fifth decimal place, if necessary) for a tenor comparable to the applicable Interest Period on the day (such day, the "**Periodic Term SOFR Determination Day**") that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; provided that: (a) if as of 5:00 p.m. (New York City time) on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day (and if such first preceding U.S. Government Securities Business Day is more than three (3) U.S. Government Securities Business Days, Section 11.5(b) will apply) and (b) provided that, if Term SOFR as so determined above for any day shall be less than the Floor, such rate shall be deemed to be the Floor for such day;

**"Term SOFR Adjustment"** means, with respect to Term SOFR, 0.10% (10 bps) per annum for an Interest Period of one-month's duration, 0.15% (15 bps) per annum for an Interest Period of three-months' duration, and 0.25% (25 bps) per annum for an Interest Period of six (6) months' duration;

**"Term SOFR Administrator"** means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrative Agent in its discretion, acting reasonably);

**"Term SOFR Reference Rate"** means the forward-looking term rate based on SOFR;

**"Termination Amount"** means, in respect of a Lender Swap on any day, the amount (whether positive or negative) determined by the Swap Lender thereunder in accordance with its customary practices and acting reasonably as of the close of business as though such day were an "Early Termination Date" and the Swap was a "Terminated Transaction" in accordance with the payment measures provided for in the ISDA Master Agreement between any Loan Party and such Swap Lender, with any such termination amount being expressed in Canadian Dollars and all defined terms used in this definition and not otherwise defined in this Agreement having the meaning ascribed thereto in such ISDA Master Agreement;

**"Termination Event"** means:

- (a) an automatic acceleration of the repayment of indebtedness outstanding hereunder pursuant to Section 10.2 without any notice being required thereunder from the Administrative Agent or any Lender; or
- (b) an automatic early termination of obligations relating to a Lender Swap, without any notice being required from the Swap Lender;

**"Total Commitment"** means the aggregate of the Total Term Facility Commitment, the Total Delayed Draw Facility Commitment, the Total Capex Facility Commitment and the Total Operating Facility Commitment;

**"Total Capex Facility Commitment"** means, at any time, the amount equal to the aggregate of the Capex Facility Commitment of each Lender at such time;

**"Total Delayed Draw Facility Commitment"** means, at any time, the amount equal to the aggregate of the Delayed Draw Facility Commitment of each Lender at such time;

**"Total Operating Facility Commitment"** means, at any time, the amount equal to the aggregate of the Operating Facility Commitment of each Lender at such time;

**"Total Term Facility Commitment"** means, at any time, the amount equal to the aggregate of the Term Facility Commitment of each Lender at such time;

**"Transaction"** has the meaning ascribed thereto in the applicable ISDA Master Agreement between any Loan Party and a Swap Lender;

**"UK Bribery Act"** means the *Bribery Act 2010* (United Kingdom), including any subordinate legislation thereunder;

**"UK Financial Institution"** means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation

Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain Affiliates of such credit institutions or investment firms;

"**UK Resolution Authority**" means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution;

"**Unadjusted Benchmark Replacement**" shall mean the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment;

"**Unfunded Capital Expenditures**" means for any period, the sum (without duplication) of the aggregate amount of all Capital Expenditures made by the Borrower during such period, where such Capital Expenditures are not funded (either in whole or in part) by the proceeds of:

- (a) Permitted Indebtedness;
- (b) new equity issuances or new equity contributions;
- (c) a Permitted Disposition effected pursuant to a binding commitment entered into within 180 days of the Permitted Disposition;
- (d) insurance attributable to the loss or damage of the Property being replaced or restored by the subject Capital Expenditures; or
- (e) Accommodations under the Facilities,

provided that, for the purposes of determining Unfunded Capital Expenditures as at:

- (i) the Effective Date and as at the Fiscal Quarter ended June 30, 2024, Unfunded Capital Expenditures shall be calculated based upon the amount of the Borrower's forecasted 12-month Unfunded Capital Expenditures, as set forth in the forecast delivered by the Borrower pursuant to Section 8.1(a)(iii);
- (ii) the Fiscal Quarter ended September 30, 2024, Unfunded Capital Expenditures shall be calculated based upon the aggregate Unfunded Capital Expenditures calculated with respect to such Fiscal Quarter, together with the amount of the forecasted Unfunded Capital Expenditures for the immediately following three (3) Fiscal Quarters, as set forth in the forecast delivered by the Borrower pursuant to Section 9.1(v)(iv);
- (iii) the Fiscal Year ended December 31, 2024, Unfunded Capital Expenditures shall be calculated based upon the aggregate Unfunded Capital Expenditures calculated with respect to the Fiscal Quarters ending September 30, 2024 and December 31, 2024, together with the amount of the forecasted Unfunded Capital Expenditures for the immediately following two (2) Fiscal Quarters, as set forth in the forecast delivered by the Borrower pursuant to Section 9.1(u)(iv);
- (iv) the Fiscal Quarter ended March 31, 2025, Unfunded Capital Expenditures shall be calculated based upon the aggregate Unfunded Capital Expenditures calculated with respect to the Fiscal Quarters ending September 30, 2024, December 31, 2024 and March 31, 2025, together with the amount of the forecasted Unfunded Capital Expenditures for



the immediately following Fiscal Quarter, as set forth in the forecast delivered by the Borrower pursuant to Section 9.1(v)(v); and

- (v) the Fiscal Quarter ended June 30, 2025 and as at each Fiscal Quarter thereafter, Unfunded Capital Expenditures shall be calculated on a trailing twelve-months' basis,

and provided further that, if the amount of Unfunded Capital Expenditures determined above shall ever be less than the Floor, such amount shall be deemed to be the Floor for purposes of this Agreement;

**"Unrestricted Cash"** means, as of any date of determination, the Equivalent Amount in Canadian Dollars of cash and cash equivalents held by the Loan Parties in one or more accounts with the Administrative Agent which is not subject to: (a) any restrictions on use, or (b) any Security Interests other than "Permitted Encumbrances" described in paragraphs (a) or (j) of the definition thereof;

**"U.S. Base Rate"** means, with respect to U.S. Base Rate Loans on any day, the greater of:

- (a) the annual rate of interest announced from time to time by the Administrative Agent as being its reference rate then in effect for determining interest rates on U.S. Dollar denominated commercial loans made by the Administrative Agent in Canada;
- (b) the Federal Funds Rate plus one percent (1.00%); and
- (c) Adjusted Term SOFR for an Interest Period of one month, plus one percent (1.00%);

provided that, if the rate determined above shall ever be less than the Floor, such rate shall be deemed to be the Floor for purposes of this Agreement;

**"U.S. Base Rate Loan"** means the advances or any portion thereof made available by the Lenders to the Borrower pursuant to either Section 3.6, 3.12 or 3.13 and outstanding from time to time, which are denominated in U.S. Dollars and on which the Borrower has agreed to pay interest in accordance with Section 5.2;

**"U.S. Dollars"** and the symbol **"U.S.\$"** each mean lawful money of the United States of America;

**"U.S. Government Securities Business Day"** means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States of America government securities;

**"Voting Shares"** means:

- (a) share capital of any class of any corporation or securities of any other Person which carry voting rights to elect the board of directors or other body exercising similar functions under any circumstances, but shares or other securities which carry the right to so vote conditionally upon the happening of an event shall not be considered Voting Shares until the occurrence of such event; and
- (b) an interest in a general partnership, limited partnership, trust, joint venture or similar Person which entitles the holder of such interest to receive a share of the profits, or on dissolution or partition, of the Property, of such Person;

**"Working Capital"** means, as at any date of determination, the excess of Current Assets over Current Liabilities; and

**"Write-Down and Conversion Powers"** means:

- (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule; and
- (b) with respect to the United Kingdom, any powers of the applicable UK Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

## 1.2 Headings and Table of Contents

The headings, the table of contents and the Article and Section titles are inserted for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

## 1.3 Terms Generally

The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words **"include," "includes"** and **"including"** shall be deemed to be followed by the phrase **"without limitation."** The word **"will"** shall be construed to have the same meaning and effect as the word **"shall."** Unless the context requires otherwise:

- (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, restated, replaced, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein);
- (b) any reference herein to any Person shall be construed to include such Person's successors and assigns;
- (c) the words **"herein," "hereof"** and **"hereunder,"** and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof;
- (d) all references herein to Articles, Sections and Schedules shall be construed to refer to Articles and Sections of, and Schedules to, this Agreement;
- (e) any reference to any statute, law or regulation herein shall, unless otherwise specified, refer to such statute, law or regulation as amended, modified, supplemented, restated or replaced from time to time; and
- (f) **"year"** means calendar year, **"month"** means calendar month, **"quarter"** means calendar quarter, and **"in writing"** or **"written"** includes printing, typewriting or any electronic means of

communication capable of being visibly reproduced at the point of reception, including email (PDF) transmission.

#### 1.4 **Generally Accepted Accounting Principles**

All financial statements required to be furnished by the Borrower to the Administrative Agent hereunder shall be prepared in accordance with GAAP. Each accounting term used in this Agreement, unless otherwise defined herein, has the meaning assigned to it under GAAP and, except as otherwise provided herein, reference to any balance sheet item, statement of income item or statement of cash flows item means such item as computed from the applicable financial statement prepared in accordance with GAAP.

#### 1.5 **Accounting Terms: Changes to Generally Accepted Accounting Principles**

- (a) Each accounting term used in this Agreement, unless otherwise defined herein, has the meaning assigned to it under GAAP applied consistently throughout the relevant period and relevant prior periods.
- (b) If the Borrower, the Administrative Agent or the Majority Lenders acting reasonably determine at any time that any amount required to be determined hereunder would be materially different if such amount were determined in accordance with:
  - (i) Generally Accepted Accounting Principles applied by the Borrower in respect of its financial statements on the date hereof ("Old GAAP"), rather than
  - (ii) Generally Accepted Accounting Principles subsequently in effect in Canada and applied by the Borrower in respect of its financial statements and utilized for purposes of determining such amount;

then written notice of such determination shall be delivered by the Borrower to the Administrative Agent, in the case of a determination by the Borrower, or by the Administrative Agent to the Borrower, in the case of a determination by the Administrative Agent or the Majority Lenders.

- (c) If the Borrower adopts a change in an accounting policy in the preparation of its financial statements in order to conform to accounting recommendations, guidelines, or similar pronouncements, or legislative requirements, and such change would require disclosure thereof under Old GAAP, or would reasonably be expected to materially adversely affect (i) the rights of, or the protections afforded to, the Administrative Agent or the Lenders hereunder or (ii) the position of the Borrower or of the Administrative Agent or the Lenders hereunder, the Borrower shall so notify the Administrative Agent, describing the nature of the change and its effect on the current and immediately prior year's financial statements in accordance with Old GAAP and in detail sufficient for the Administrative Agent and the Lenders to make the determination required of them in the following sentence. If either the Borrower, the Administrative Agent or the Majority Lenders determine at any time that such change in accounting policy results in a material adverse change either (A) in the rights of, or protections afforded to, the Administrative Agent or the Lenders intended to be derived, or provided for, hereunder or (B) in the position of the Borrower or of the Administrative Agent and the Lenders hereunder, written notice of such determination shall be delivered by the Borrower to the Administrative Agent, in the case of a determination by the Borrower, or by the Administrative Agent to the Borrower, in the case of a determination by the Administrative Agent or the Majority Lenders.

- (d) Upon the delivery of a written notice pursuant to Section 1.5(b) or Section 1.5(c), the Borrower and the Administrative Agent on behalf of the Lenders shall meet to consider the impact of such change in Old GAAP or such change in accounting policy, as the case may be, on the rights of, or protections afforded to, the Administrative Agent and the Lenders or on the position of the Borrower or of the Administrative Agent and the Lenders and shall in good faith negotiate to execute and deliver an amendment or amendments to this Agreement in order to preserve and protect the intended rights of, or protections afforded to, the Administrative Agent and the Lenders on the date hereof or the position of the Borrower or the Administrative Agent and the Lenders (as the case may be); provided that, until this Agreement has been amended in accordance with the foregoing, then for all purposes hereof, the applicable changes from Old GAAP or in accounting policy (as the case may be) shall be disregarded hereunder and any amount required to be determined hereunder shall, nevertheless, continue to be determined under Old GAAP and the Borrower's prior accounting policy, as applicable. For the purposes of this Section 1.5, the Borrower, the Lenders and the Administrative Agent acknowledge that the amendment or amendments to this Agreement are to provide substantially the same rights and protection to the Administrative Agent and the Lenders as is intended by this Agreement on the date hereof. If the Borrower and the Administrative Agent on behalf of the Majority Lenders do not (for any reason whatsoever) mutually agree (in their respective sole discretions, without any obligation to so agree) on such amendment or amendments to the Agreement within 60 days following the date of delivery of such written notice, the Borrower shall provide such financial information as the Administrative Agent may reasonably request in order for any amount required to be determined hereunder to be determined in accordance with Old GAAP; and, for all purposes hereof, the applicable changes from Old GAAP or in accounting policy (as the case may be) shall be disregarded hereunder and any amount required to be determined hereunder shall, nevertheless, continue to be determined under Old GAAP and the Borrower's prior accounting policy, as applicable.
- (e) For the purposes of this Agreement, including all financial calculations to be made hereunder, any lease which would be accounted for as an operating lease under GAAP as in effect on December 31, 2018 shall be, notwithstanding any subsequent change in GAAP, deemed to be accounted for as an operating lease and not as a capital lease or a financial lease (regardless of whether such lease is entered into or assumed before or after December 31, 2018) notwithstanding and regardless of the implementation under GAAP of IFRS 16.

## **1.6 Time**

Unless otherwise provided herein, all references to a time in this Agreement shall mean local time in the city of Calgary, Alberta.

## **1.7 Payment for Value**

All payments required to be made hereunder shall be made for value on the required day in same day immediately available funds.

## **1.8 Pro Rata**

If, at any time, there are Lenders with different Maturity Dates, all Lenders will share in Accommodations on a *pro rata* basis except to the extent the particular Accommodation requested has a maturity date after the Maturity Date of a Lender, in which case only those Lenders with a Maturity Date later than the maturity date of the requested Accommodation will be required to participate in providing such Accommodation and the Borrower may request a similar Accommodation to the extent permitted hereunder from the other Lenders with a maturity date occurring on or before the Maturity Date of such

Lenders. Each such determination by the Administrative Agent shall be *prima facie* evidence of such rateable portion or share.

### **1.9 Monetary References**

Whenever an amount of money is referred to herein, such amount shall, unless otherwise expressly stated, be in Canadian Dollars.

### **1.10 Lenders in Various Capacities**

Each of the Lenders acknowledges and agrees that where in this Agreement there are references to Swap Lenders, Cash Management Lenders and Creditcard Lenders, and a Lender or an Affiliate thereof is providing Lender Swaps, Cash Management Services or Creditcard Facilities, such Lender shall, in such other capacities, comply with and agree to be bound by, and cause its Affiliates to comply with and agree to be bound by, the provisions hereof dealing with Swap Lenders, Cash Management Lenders and Creditcard Lenders.

### **1.11 Interest Rates; Benchmark Notification**

The interest rate on Loans denominated in U.S. Dollars may be derived from an interest rate benchmark that may be discontinued or is, or may in the future become, the subject of regulatory reform. Upon the occurrence of a Benchmark Transition Event, Section 11.5 provides a mechanism for determining an alternative rate of interest. The Administrative Agent does not warrant or accept any responsibility for, and shall not have any liability with respect to: (a) the continuation of, the administration of, submission of, calculation of, performance of or any other matter related to the Benchmark or any interest rate used in this Agreement (including, without limitation, U.S. Base Rate, Daily Simple SOFR, Adjusted Daily Simple SOFR, SOFR, Term SOFR Reference Rate, Adjusted Term SOFR, Term SOFR, CORRA, Term CORRA, Adjusted Term CORRA, Term CORRA Reference Rate, Adjusted Daily Compounded CORRA or Daily Compounded CORRA) or any component definition thereof or rates referred to in the definition thereof, or with respect to any alternative or successor rate thereto, or replacement rate thereof (including any Benchmark Replacement), including without limitation, whether the composition or characteristics of any such alternative, successor or replacement reference rate will be similar to, or produce or have the same value or economic equivalence of the existing interest rate (or any component thereof) being replaced or have the same volume or liquidity as did any existing interest rate (or any component thereof) prior to its discontinuance or unavailability or (b) the effect, implementation or composition of any Conforming Changes. The Administrative Agent and its affiliates and/or other related entities may engage in transactions that affect the calculation of any interest rate (or component thereof) used in this Agreement or any alternative, successor or alternative rate (including any Benchmark Replacement) and/or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain any interest rate used in this Agreement, any component thereof, or rates referred to in the definition thereof, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

**ARTICLE 2**  
**REPRESENTATIONS AND WARRANTIES**

**2.1 Representations and Warranties**

The Borrower represents and warrants to each of the Lenders and the Administrative Agent (all of which representations and warranties the Borrower hereby acknowledges are being relied upon by the Lenders and the Administrative Agent in entering into this Agreement) that:

- (a) **Existence:** each Loan Party is a duly incorporated and organized corporation or a duly created partnership or trust, as applicable, under the laws of Canada or a Province of Canada, is validly existing under such laws, and is duly registered and qualified as an extra-provincial corporation, partnership or trust, as applicable, under the laws of each jurisdiction in which the nature of any business transacted by it or the character of any Property owned or leased by it requires such registration and qualification, except where the failure to be so registered or qualified would not reasonably be expected to have a Material Adverse Effect;
- (b) **Power:** each Loan Party has full corporate, partnership or trust, as applicable, capacity, power and authority to own its Property, to conduct its business as now conducted and as proposed to be conducted, to execute and deliver each Loan Document to which it is a party and to perform its obligations thereunder;
- (c) **Authorization:** the execution, delivery and performance by each Loan Party of each of the Loan Documents to which it is a party have been duly authorized by all necessary corporate, partnership, trust or other action;
- (d) **Execution:** each Loan Document to which any Loan Party is a party has been duly executed and delivered by it;
- (e) **Binding Obligations:** each Loan Document to which any Loan Party is a party is a legal, valid and binding obligation of each Loan Party that is a party thereto enforceable against such Loan Party or other party thereto, as applicable, in accordance with its terms except as enforceability may be limited by general principles of equity and by Applicable Laws regarding bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally and by moratorium laws from time to time in effect;
- (f) **Violations and Approvals:** the execution, delivery and performance by each Loan Party of each Loan Document to which it is a party:
  - (i) does not and will not violate its articles, by-laws, partnership agreement, trust indenture (each as applicable) or other governing documents;
  - (ii) does not and will not result in a breach of or constitute a default or require any consent under, or result in the creation of any Security Interest, other than a Permitted Encumbrance, upon any of its Property pursuant to any Material Agreement to which it is a party or by which it or its Property may be bound or affected;
  - (iii) does not require any Governmental Action, licence, consent or approval of or notice to or filing with any Governmental Authority other than such as are necessary with respect to the registration and perfection of the Security and the Security Interests constituted thereby; and

- (iv) does not and will not contravene any presently existing provision of Applicable Law or any Governmental Action applicable to it or any of its Property;
- (g) **Security:** the Security Interests created by the Security granted by each Loan Party to the Administrative Agent rank as first priority Security Interests in priority to all other Security Interests over the Collateral, subject only to Permitted Encumbrances which, under Applicable Law, may rank in priority thereto;
- (h) **Title to Property:** each Loan Party has good and marketable title to all of its Property free and clear of all Security Interests, claims and encumbrances other than Permitted Encumbrances which are applicable to it and, to the best of its knowledge, information and belief, no Person is asserting or has given notice of its intention to assert any Security Interest other than Permitted Encumbrances relating to any such Property;
- (i) **Intellectual Property:** as of the Effective Date, Schedule "H" sets out all Intellectual Property used in or necessary for the conduct of the business of the Loan Parties as currently conducted as well as the particulars of any registrations thereof at the Canadian Intellectual Property Office (or any similar registry in any other jurisdiction). The Borrower and each of the other Loan Parties possesses and is the sole legal and beneficial owner of or has licensed to it on normal commercial terms all the Intellectual Property necessary for the conduct of the business of the Loan Parties, each of which is in good standing and in full force and effect, except where the failure to possess or maintain in good standing and in full force and effect such Intellectual Property, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect. To the best knowledge of the Borrower, neither it nor any of the other Loan Parties is infringing or is alleged to be infringing on the rights of any Person with respect to any Intellectual Property (or any application or registration in respect thereof or any licence, discovery, improvement, process, formula, know-how, data, plan or specification). The Borrower and each of the other Loan Parties has taken all formal or procedural actions (including payment of fees) required to maintain any material Intellectual Property and licences owned by it;
- (j) **Litigation:** there are no actions, suits or proceedings pending or, to the best of the knowledge, information and belief of any Loan Party, threatened against any Loan Party at law or in equity by or before any court, tribunal, governmental department, commission, board, bureau, agent or instrumentality, domestic or foreign, or before any arbitrator of any kind which would reasonably be expected to have a Material Adverse Effect and no Loan Party is in default with respect to any judgment, order, writ, injunction, decree, award, rule or regulation of any court, tribunal, governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign or any arbitrator of any kind which, in the aggregate, would reasonably be expected to have a Material Adverse Effect;
- (k) **Books and Records; Financial Condition:** each Loan Party maintains records and books of account in which true and complete entries are made in a manner sufficient to enable the preparation of financial statements in accordance with GAAP. All financial statements of the Loan Parties provided to the Administrative Agent by or on behalf of any Loan Party fairly reflect, as of the dates thereof, the financial condition of the Loan Parties in all material respects and the results of their operations for the periods covered thereby, have been prepared in accordance with GAAP and, from the date of the latest of such financial statements submitted to the Administrative Agent, no event or circumstance has occurred which would reasonably be expected to have a Material Adverse Effect;

- (l) **Taxes:** all material income tax and other returns required to be filed prior to the date hereof have been filed by or on behalf of each Loan Party to the relevant taxation or other authorities and no Loan Party is in default of payment of any taxes of any material amount, except for taxes the payment of which is subject to a Permitted Contest, and no reassessment, appeal or material claim is, to the best of the knowledge, information and belief of any Loan Party, being asserted or processed with respect to taxes which is not disclosed in the financial statements referred to in Section 2.1(k), in respect of periods to which such financial statements relate;
- (m) **Insurance:** each Loan Party has in full force and effect such policies of insurance in such amounts issued by insurers of recognized standing insuring its Property and providing such coverage as would be maintained by Persons engaged in the same or similar business in the localities where its Property is located or, if such insurance is not available on commercially reasonable terms, such other insurance to the satisfaction of the Lenders, acting reasonably;
- (n) **Compliance with Applicable Laws:** each Loan Party is in compliance with all Applicable Laws (except for any non-compliance which would not reasonably be expected to have a Material Adverse Effect);
- (o) **Environmental Laws:** each Loan Party:
  - (i) has obtained, made or given all Governmental Actions which are required under all applicable Environmental Laws except to the extent that failure to obtain, make or give the same would not reasonably be expected to have a Material Adverse Effect;
  - (ii) is in compliance with all Environmental Laws and all terms and conditions of all such Governmental Actions, except to the extent failure to comply would not reasonably be expected to have a Material Adverse Effect; and
  - (iii) has not received any notice of non-compliance with any Environmental Laws from any Governmental Authority or other Person or that any Release has occurred of, from, around, under or in respect of any of the Collateral which would reasonably be expected to have a Material Adverse Effect;
- (p) **Indebtedness:** no Loan Party has issued, created, incurred, assumed, permitted or suffered to exist or is directly or indirectly liable for or in respect of any Debt other than Permitted Indebtedness;
- (q) **Financial Assistance:** no Loan Party has provided any Financial Assistance to any Person or Persons other than Permitted Financial Assistance;
- (r) **Security Interests:** no Loan Party has granted, created, incurred, assumed or permitted or suffered to exist any Security Interest upon or with respect to any of its Property, except for Permitted Encumbrances;
- (s) **Material Agreements:** as of the Effective Date, Schedule "I" contains a true and complete list of all Material Agreements. Each Material Agreement is in good standing and in full force and effect and none of the Loan Parties is in breach of any of the terms or conditions contained therein. Except as disclosed in writing to the Administrative Agent and as permitted hereby, no Material Agreement has been amended, supplemented or revised since the date of execution thereof;



- (t) **Subsidiaries, Affiliates and Loan Parties:** as of the Effective Date, (i) the only Subsidiary of the Borrower is KMC Mining (BC) Ltd., and (ii) the only Loan Parties are the Borrower and KMC Mining (BC) Ltd.;
- (u) **Chief Executive Office and Registered Office:** as of the Effective Date, (i) the chief executive office of the Borrower and of KMC Mining (BC) Ltd. is located in Alberta, and (ii) the registered office of the Borrower is located in Alberta, and the registered office of KMC Mining (BC) Ltd. is located in British Columbia;
- (v) **Location of Business and Collateral:** as of the Effective Date: (A) no Loan Party carries on business in any jurisdiction other than Alberta and British Columbia, (B) all tangible Collateral of the Loan Parties, real or personal (other than goods in transit), is located in Alberta and British Columbia, and (C) Schedule "L" contains a true and complete listing of all First Fixed Charge Equipment then owned by each Loan Party;
- (w) **Fiscal Year End:** as of the Effective Date, the Borrower's Fiscal Year end is on December 31;
- (x) **Pension Plans; Labour Matters:** each Loan Party has paid or caused to be paid all material obligations required to be paid in connection with each Pension Plan to which it is a party in a timely fashion. There are no existing or, to the best knowledge of the Borrower, threatened, strikes, lock-outs or other disputes relating to any collective bargaining agreement to which the Borrower or any other Loan Party is a party and no trade union, council of trade unions or employee bargaining agency has applied or, to the best knowledge of the Borrower, threatened to apply, to be certified as the bargaining agent of any of the employees of the Borrower or any other Loan Party in the last three (3) years. The hours worked and payments made to employees of the Borrower and each other Loan Party have not been in violation of any Applicable Laws, except where such violations would not reasonably be expected to result in a Material Adverse Effect;
- (y) **Events of Default:** no Default or Event of Default has occurred and is continuing;
- (z) **Solvency:** the Borrower and each of the other Loan Parties is Solvent. No corporate action, legal proceeding or other procedure or step described in Section 10.1(h) or Section 10.1(i), or creditors' process described in Section 10.1(h) or Section 10.1(i) has been taken or, to the knowledge of the Borrower, is threatened in relation to any Loan Party, and none of the circumstances described in Section 10.1(h) or Section 10.1(i) applies to any Loan Party;
- (aa) **Accuracy of Information:** all information (including financial information and projections), materials and documents delivered by or on behalf of the Borrower or any other Loan Party to the Administrative Agent in contemplation of the transactions contemplated by this Agreement or as required by the terms of this Agreement were:
  - (i) in the case of all such information, materials and documents (but excluding therefrom any projections), true, complete and accurate in all material respects as at their respective dates; and
  - (ii) in the case of any such projections, prepared in good faith based upon assumptions believed to be reasonable at the time made;

provided that, with respect to any such information, materials and documents provided by a third party, this representation is limited to the knowledge of the Loan Parties; and

**(bb) Sanctions; Anti-Corruption; Anti-Money Laundering/ Anti-Terrorist Financing Laws:**

- (i) no part of the proceeds of any Drawdown nor drawings under any Letter of Credit will be used, directly or, to the knowledge of the Borrower or any Subsidiary after due inquiry, indirectly, to fund any operations in, finance any investments or activities in, or make any payments to, a Sanctioned Person in any manner that would result in any violation by any person (including any Lender and the Administrative Agent) of (A) any Sanctions or (B) applicable regulations, rules and executive orders administered by any Sanctions Authority;
- (ii) none of the Borrower nor any of its Subsidiaries (A) is, or will become a Sanctioned Person or (B) knowingly, after due inquiry, engages or will engage in any dealings or transactions, or is or will be otherwise knowingly, after due inquiry, associated, with any Sanctioned Person that would result in any violation of (x) any Sanctions or (y) applicable regulations, rules and executive orders administered by any Sanctions Authority;
- (iii) to the knowledge of the Borrower, after due inquiry, each of the Borrower and its Subsidiaries is, and has conducted its business, in compliance in all respects with all Sanctions and all applicable regulations, rules and executive orders administered by any Sanctions Authority;
- (iv) to its knowledge, after due inquiry, each of the Borrower and its Subsidiaries is, and has conducted its business, in compliance in all material respects with all Anti-Money Laundering/ Anti-Terrorist Financing Laws;
- (v) the Borrower and its Subsidiaries, to the Borrower's knowledge after due inquiry, are not the subject of any investigation, inquiry or enforcement proceedings by any Governmental Authority regarding any offense or alleged offense under any Anti-Corruption Laws or Anti-Money Laundering/ Anti-Terrorist Financing Laws in which there is a reasonable possibility of an adverse decision and, to the Borrower's knowledge after due inquiry, no such investigation, inquiry or proceeding is pending or has been threatened;
- (vi) to the knowledge of the Borrower, after due inquiry, each of the Borrower and its Subsidiaries is, and has conducted its business, in compliance in all material respects with all Anti-Corruption Laws. No part of the proceeds of any Drawdown or any drawings under any Letter of Credit has been used or will be used, directly or, to the knowledge of the Borrower or any Subsidiary after due inquiry, indirectly, for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in a governmental capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of any Anti-Corruption Laws; and
- (vii) the Borrower and its Subsidiaries have policies and procedures in place to ensure that each of the foregoing representations and warranties in this Section 2.1(bb) are true and correct at all times.

**2.2 Deemed Representations and Warranties**

Each request by the Borrower for Accommodations on any Drawdown Date after the Effective Date shall be deemed to be a representation and warranty by the Borrower to the Administrative Agent and each Lender that the representations and warranties contained in Section 2.1 (other than those

made as of a specific date) are, as of the date of such request, and will be, as of the applicable Drawdown Date, true and correct in all material respects and each request by the Borrower for a Conversion or Rollover shall be deemed to be a representation and warranty by the Borrower to the Administrative Agent and each Lender that as of the date of such request and as of the applicable Conversion Date or Rollover Date, there exists no Default, Event of Default or Borrowing Base Shortfall.

### ARTICLE 3 THE FACILITIES

#### 3.1 Establishment of the Facilities

(a) **Availment Options:** From and after the Effective Date and relying on each of the representations and warranties set out in Article 2 and subject to the terms and conditions of this Agreement:

(i) each Lender agrees to make:

- (A) Initial Term Accommodations available to the Borrower up to the amount of its Term Facility Commitment thereunder; and
- (B) Deferred Term Accommodations available to the Borrower up to the amount of its Term Facility Commitment thereunder,

in each case, by way of an extendible non-revolving term credit facility for the purposes set forth in Section 3.5(a), commencing on the Effective Date and ending on the Maturity Date (the "**Term Facility**");

(ii) each Lender agrees to make Delayed Draw Accommodations available to the Borrower up to the amount of its Delayed Draw Facility Commitment, by way of an extendible non-revolving term credit facility for the purposes set forth in Section 3.5(b), commencing on the first day of the Delayed Draw Availability Period and ending on the Maturity Date (the "**Delayed Draw Facility**");

(iii) each Lender agrees to make Capex Accommodations available to the Borrower up to the amount of its Capex Facility Commitment, by way of an extendible revolving credit facility for the purposes set forth in Section 3.5(c), commencing on the Effective Date and ending on the Maturity Date (the "**Capex Facility**"); and

(iv) each Lender agrees to make Operating Accommodations available to the Borrower up to the lesser of: (A) the amount of its Operating Facility Commitment, and (B) its Applicable Percentage of the amount of the Borrowing Base, by way of an extendible operating revolving credit facility for the purposes set forth in Section 3.5(d), commencing on the Effective Date and ending on the Maturity Date (the "**Operating Facility**").

(b) **Maximum Amount:** Subject to the terms and conditions of this Agreement, at no time shall:

- (i) Term Borrowings exceed the Total Term Facility Commitment;
- (ii) Delayed Draw Borrowings exceed the Total Delayed Draw Facility Commitment;
- (iii) Capex Borrowings exceed the Total Capex Facility Commitment; and

- (iv) Operating Borrowings exceed the lesser of: (i) the Borrowing Base, and (ii) the Total Operating Facility Commitment.

### 3.2 Reduction of Term Facility Commitments and Delayed Draw Facility Commitments

- (a) **Term Facility:** If the entire amount of Term Facility Commitments is not drawn pursuant to Section 3.1(a)(i) hereof on or prior to the Term Facility Availability End Date, the amount of the Term Facility Commitments shall be reduced to the amount of the Term Borrowings drawn on the Term Facility Availability End Date. Thereafter, (i) the Borrower may only effect Conversions and Rollovers in respect of its Term Borrowings, and (ii) any Term Borrowings repaid or prepaid to a Lender (except upon a Conversion or Rollover) shall effect a permanent reduction of its Term Facility Commitment.
- (b) **Delayed Draw Facility:** If the entire amount of Delayed Draw Facility Commitments is not drawn pursuant to Section 3.1(a)(ii) hereof during the Delayed Draw Availability Period, the amount of the Delayed Draw Facility Commitments shall be reduced to the amount of the Delayed Draw Borrowings drawn (if any) during the Delayed Draw Availability Period. Thereafter, (i) the Borrower may only effect Conversions and Rollovers in respect of its Delayed Draw Borrowings, and (ii) any Delayed Draw Borrowings repaid or prepaid to a Lender (except upon a Conversion or Rollover) shall effect a permanent reduction of its Delayed Draw Facility Commitment.

### 3.3 Revolving Feature: Capex Facility and Operating Facility

Until the Maturity Date, the Capex Borrowings and the Operating Borrowings may, within the limits herein provided, increase and decrease and the Borrower may borrow, repay and reborrow Cdn. Dollars and/or U.S. Dollars and obtain Accommodations under each of the Capex Facility and the Operating Facility, as the case may be.

### 3.4 Extension of Maturity Date

- (a) **Request for Extension:** The Borrower may, from time to time, request an extension of the Maturity Date of each Lender who has not yet refused to extend such Maturity Date (or been deemed to have refused to extend the Maturity Date) under the Facilities pursuant to any prior Request for Extension (each, a "**Requested Lender**") by sending to the Administrative Agent and, if applicable, the Fronting Lender and the Swing Line Lender, a Request for Extension with respect to the Facilities, once in each Fiscal Year, and the Administrative Agent shall forthwith, and in any event within four (4) Business Days after receipt thereof, notify each Requested Lender of such request. In this Section 3.4, the Maturity Date of the Requested Lenders under the Facilities is referred to as the "**Subject Maturity Date**". Any extension request must provide that the Subject Maturity Date of all of the Requested Lenders be the same. Each Requested Lender shall advise the Administrative Agent as to whether it agrees to extend the Subject Maturity Date for the Facilities in accordance with any such Request for Extension within thirty (30) days of the delivery by the Borrower to the Administrative Agent of a Request for Extension, provided that in the event any such Requested Lender does not so advise the Administrative Agent within such thirty (30) day period, such Requested Lender shall be deemed to have advised the Administrative Agent that it is not prepared to extend the Subject Maturity Date. Within four (4) Business Days of the Administrative Agent receiving from each Requested Lender its decision with respect to extending the Subject Maturity Date, the Administrative Agent shall, subject to Section 3.4(c), advise the Borrower of each Requested Lender's decision.

- (b) **Repayment or Replacement by Borrower:** Subject to Section 3.4(c), if a Requested Lender does not agree to extend the Subject Maturity Date applicable to it (such Lender being a "**Non-Extending Lender**") and any Requested Lender agreeing to extend the Subject Maturity Date applicable to it being an "**Extending Lender**"), the Borrower may, but is not obligated to:
- (i) so long as there exists no Default, Event of Default or Borrowing Base Shortfall, repay all Borrowings and other amounts owing under the Facilities to any Non-Extending Lender on or prior to the Subject Maturity Date and upon such repayment, any Non-Extending Lender shall cease to be a Lender under the Facilities and each such Non-Extending Lender's Commitment thereunder shall be terminated and the Total Commitment reduced accordingly; or
  - (ii) arrange for replacement lender(s) (which may be one or more of the Lenders) to replace each Non-Extending Lender's Borrowings and its Commitment under the Facilities; provided that: (A) any such replacement lender under the Operating Facility (if it is not a Lender) shall have been approved by the Administrative Agent, the Fronting Lender and the Swing Line Lender (such approval not to be unreasonably withheld) and shall be novated into the Loan Documents in the place and stead of the Non-Extending Lender by execution of all necessary documentation (including execution and delivery of an Assignment and Assumption Agreement) on or prior to the Subject Maturity Date and in respect of which the Lenders shall do all things and make all such adjustments as are reasonably necessary to give effect to any such replacement, (B) only one Lender may purchase the Swing Line Commitment if the Swing Line Lender is a Non-Extending Lender, and (C) if the Non-Extending Lender is the Fronting Lender, such purchase shall be subject to the replacement or collateralization satisfactory to the Fronting Lender, acting reasonably, of all outstanding Letters of Credit issued by the Fronting Lender under the Operating Facility, not less than three (3) Business Days prior to the Subject Maturity Date.
- (c) **Non-Extension:** The Subject Maturity Date shall not be extended in accordance with Section 3.4(a) if Requested Lenders under the Facilities holding less than sixty-six and two-thirds percent (66 2/3%) of the Commitments of all Requested Lenders under the Facilities agree to extend the Subject Maturity Date pursuant to any Request for Extension. In such case, the Subject Maturity Date for all Requested Lenders under the Facilities shall not be extended.
- (d) **Extension for all Requested Lenders:** If all Requested Lenders agree to extend the Subject Maturity Date pursuant to a Request for Extension, then the Subject Maturity Date shall be extended for the Facilities for the period requested by the Borrower.
- (e) **Partial Extension:** If, with respect to any Request for Extension, the provisions of Section 3.4(c) or 3.4(d) are not applicable and there are Non-Extending Lenders under Section 3.4(b), then:
- (i) the Subject Maturity Date for those Requested Lenders agreeing to extend the Subject Maturity Date shall be extended for the period requested by the Borrower; and
  - (ii) the Subject Maturity Date of Non-Extending Lenders shall not be extended.
- (f) **Maturity Date:** Any Subject Maturity Date which shall be extended pursuant to Sections 3.4(d) or 3.4(e) shall constitute the Maturity Date for the applicable Extending Lender for all purposes of this Agreement after such extension.

- (g) **Independent Decision:** The Borrower understands that consideration of any Request for Extension constitutes an independent credit decision which each Lender retains the absolute and unfettered discretion to make and that no commitment in this regard is hereby given by any Lender.
- (h) **Default or Event of Default:** Notwithstanding the foregoing, the Borrower shall not be entitled to make a Request for Extension or accept any offer made by the Administrative Agent on behalf of the Extending Lenders to extend the Subject Maturity Date if a Default or Event of Default has occurred and is continuing or if the Borrower is unable to make the representations and warranties as required pursuant to Section 2.1 at such time.
- (i) **Adjustment of Fees:** If, on the Maturity Date of any Lender, any Borrowings are outstanding to such Lender by way of Letters of Credit, then such Lender shall be entitled to receive Letter of Credit Fees in respect of such outstanding Letters of Credit calculated based upon Letter of Credit Fees for the period from the Maturity Date to the expiry date of the Letter of Credit at the rate set out in the last sentence of the definition of "Applicable Margin". After the Maturity Date, the Administrative Agent shall calculate the adjusted fees payable by the Borrower to such Lender in respect of such Borrowings and such fees shall be payable not later than ten (10) days after receipt by the Borrower of written notice from the Administrative Agent as to such amounts. The notice of the Administrative Agent setting forth the additional amounts payable shall be conclusive evidence thereof, absent manifest error.

### 3.5 Purpose

#### (a) Term Facility:

- (i) Initial Term Accommodations shall be used on the Effective Date by the Borrower to unconditionally repay in full any indebtedness, liabilities and obligations then owing under each of the Existing Commitment Letters and the Existing KMC Holdings Note, to pay certain fees to The Klemke Foundation under the Subordinated Note and to redeem preferred Equity Interests in the Borrower, in each case, in accordance with the Closing Direction to Pay, and otherwise for working capital purposes of the Borrower on such date.
- (ii) Deferred Term Accommodations after the Effective Date shall be used by the Borrower no later than the Term Facility Availability End Date to repay a portion of the indebtedness, liabilities and obligations then owing under the Subordinated Note and to redeem preferred Equity Interests in the Borrower, in each case, in accordance with the sources and uses approved by each of the Lenders (following delivery of such sources and uses by the Borrower pursuant to Section 8.4(b)(ii)(A)).
- (b) **Delayed Draw Facility:** Accommodations under the Delayed Draw Facility during the Delayed Draw Availability Period may be used: (i) to repay a portion of the indebtedness, liabilities and obligations then owing under the Subordinated Note, and (ii) with the prior written approval of each of the Lenders, for other purposes so approved by such Lenders, including the redemption of preferred Equity Interests in the Borrower, the funding of Permitted Capital Expenditures and working capital and general corporate purposes.
- (c) **Capex Facility:** Accommodations under the Capex Facility shall be used from time to time to finance up to 90% of the cost of Permitted Capital Expenditures.
- (d) **Operating Facility:** Accommodations under the Operating Facility shall be used from time to time for working capital requirements and general corporate purposes of the Borrower.

### 3.6 Accommodations

(a) **Term Facility:** Subject to the provisions of this Agreement, the Borrower may borrow, as a single Drawdown on the Effective Date and a second and final Drawdown no later than the Term Facility Availability End Date, in each case, by way of Term Accommodations from each Lender pursuant to the Term Facility, up to the amount of such Lender's Term Facility Commitment by:

- (i) **Prime Loans:** borrowing Prime Loans in minimum aggregate amounts of Cdn.\$1,000,000 and in integral multiples of Cdn.\$100,000 thereafter, upon at least one (1) Business Day's prior written notice;
- (ii) **CORRA Loans:** borrowing CORRA Loans in minimum aggregate amounts of Cdn.\$5,000,000 and in integral multiples of Cdn.\$100,000 thereafter, upon at least three (3) Business Days' prior written notice;
- (iii) **U.S. Base Rate Loans:** borrowing U.S. Base Rate Loans in minimum aggregate amounts of U.S.\$1,000,000 and in integral multiples of U.S.\$100,000 thereafter, upon at least one (1) Business Day's prior written notice; and
- (iv) **SOFR Loans:** borrowing SOFR Loans in minimum aggregate amounts of U.S.\$5,000,000 and in integral multiples of U.S.\$100,000 thereafter, upon at least three (3) Business Days' prior written notice,

each such notice to be given to the Administrative Agent at or prior to 10:00 a.m. (Calgary time) on the last day on which such notice can be given pursuant to this Section 3.6 (which notice may be provided by email) and to be substantially in the form of Schedule "B".

(b) **Delayed Draw Facility:** Subject to the provisions of this Agreement, the Borrower may borrow, as a single Drawdown, by way of Delayed Draw Accommodations from each Lender pursuant to the Delayed Draw Facility, up to the amount of such Lender's Delayed Draw Facility Commitment by:

- (i) **Prime Loans:** borrowing Prime Loans in minimum aggregate amounts of Cdn.\$1,000,000 and in integral multiples of Cdn.\$100,000 thereafter, upon at least one (1) Business Day's prior written notice;
- (ii) **CORRA Loans:** borrowing CORRA Loans in minimum aggregate amounts of Cdn.\$5,000,000 and in integral multiples of Cdn.\$100,000 thereafter, upon at least three (3) Business Days' prior written notice;
- (iii) **U.S. Base Rate Loans:** borrowing U.S. Base Rate Loans in minimum aggregate amounts of U.S.\$1,000,000 and in integral multiples of U.S.\$100,000 thereafter, upon at least one (1) Business Day's prior written notice; and
- (iv) **SOFR Loans:** borrowing SOFR Loans in minimum aggregate amounts of U.S.\$5,000,000 and in integral multiples of U.S.\$100,000 thereafter, upon at least three (3) Business Days' prior written notice,

each such notice to be given to the Administrative Agent at or prior to 10:00 a.m. (Calgary time) on the last day on which such notice can be given pursuant to this Section 3.6 (which notice may be provided by email) and to be substantially in the form of Schedule "B".

(c) **Capex Facility:** Subject to the provisions of this Agreement, the Borrower may borrow, repay and reborrow by way of Capex Accommodations from each Lender pursuant to the Capex Facility, up to the amount of such Lender's Capex Facility Commitment by:

- (i) **Prime Loans:** borrowing Prime Loans in minimum aggregate amounts of Cdn.\$1,000,000 and in integral multiples of Cdn.\$100,000 thereafter, upon at least one (1) Business Day's prior written notice;
- (ii) **CORRA Loans:** borrowing CORRA Loans in minimum aggregate amounts of Cdn.\$5,000,000 and in integral multiples of Cdn.\$100,000 thereafter, upon at least three (3) Business Days' prior written notice;
- (iii) **U.S. Base Rate Loans:** borrowing U.S. Base Rate Loans in minimum aggregate amounts of U.S.\$1,000,000 and in integral multiples of U.S.\$100,000 thereafter, upon at least one (1) Business Day's prior written notice; and
- (iv) **SOFRR Loans:** borrowing SOFRR Loans in minimum aggregate amounts of U.S.\$5,000,000 and in integral multiples of U.S.\$100,000 thereafter, upon at least three (3) Business Days' prior written notice,

each such notice to be given to the Administrative Agent at or prior to 10:00 a.m. (Calgary time) on the last day on which such notice can be given pursuant to this Section 3.6 (which notice may be provided by email) and to be substantially in the form of Schedule "B".

(d) **Operating Facility:** Subject to the provisions of this Agreement, the Borrower may borrow, repay and reborrow by way of Operating Accommodations from each Lender pursuant to the Operating Facility, up to lesser of: (x) the amount of such Lender's Operating Facility Commitment, and (y) such Lender's Applicable Percentage of the amount of the Borrowing Base, by:

- (i) **Prime Loans:** borrowing Prime Loans in minimum aggregate amounts of Cdn.\$1,000,000 and in integral multiples of Cdn.\$100,000 thereafter, upon at least one (1) Business Day's prior written notice;
- (ii) **CORRA Loans:** borrowing CORRA Loans in minimum aggregate amounts of Cdn.\$5,000,000 and in integral multiples of Cdn.\$100,000 thereafter, upon at least three (3) Business Days' prior written notice;
- (iii) **U.S. Base Rate Loans:** borrowing U.S. Base Rate Loans in minimum aggregate amounts of U.S.\$1,000,000 and in integral multiples of U.S.\$100,000 thereafter, upon at least one (1) Business Day's prior written notice;
- (iv) **SOFRR Loans:** borrowing SOFRR Loans in minimum aggregate amounts of U.S.\$5,000,000 and in integral multiples of U.S.\$100,000 thereafter, upon at least three (3) Business Days' prior written notice; and
- (v) **Letters of Credit:** way of the issuance of Letters of Credit by the Fronting Lender on behalf of the Lenders in Canadian Dollars on at least five (5) Business Days' prior written notice,



each such notice to be given to the Administrative Agent at or prior to 10:00 a.m. (Calgary time) on the last day on which such notice can be given pursuant to this Section 3.6 (which notice may be provided by email) and to be substantially in the form of Schedule "B".

### 3.7 Borrowing Base

- (a) **Redetermination of Borrowing Base:** On a monthly basis, upon receipt of a Borrowing Base Certificate and all reports referred to therein pursuant to Section 9.1(w), the Administrative Agent, on behalf of the Lenders, shall make a redetermination of the Borrowing Base in accordance with the definitions and terms hereof based on the reports and information so received (each, a "**Scheduled Borrowing Base Redetermination**").
- (b) **Other Redeterminations:** In addition to each Scheduled Borrowing Base Redetermination, the Administrative Agent may redetermine the Borrowing Base in accordance with the definitions hereof at any time acting reasonably and in good faith.
- (c) **Borrowing Base Shortfall:** If, at any time, the aggregate amount of all Operating Borrowings exceeds the amount of the Borrowing Base as at the date of the most recently delivered Borrowing Base Certificate, with such deficiency amount being referred to herein as a "**Borrowing Base Shortfall**", then any undrawn credit hereunder shall cease to be available to the Borrower and the Total Operating Facility Commitment shall be reduced on a *pro rata* basis to an amount equal to the newly-determined Borrowing Base (until such time as it is cured by the Borrower as set out herein). In addition, the Borrower shall, within five (5) Business Days from its receipt of written notice of such Borrowing Base Shortfall from the Administrative Agent (the "**BBS Cure Period**"), eliminate the Borrowing Base Shortfall by effecting a permanent repayment of Borrowings in excess of the newly redetermined Borrowing Base.

During the BBS Cure Period, the Lenders shall not be obligated to make any further Accommodations available under this Agreement (other than Conversions or Rollovers which do not increase the Borrowings and with maturities not later than the last day of the BBS Cure Period). If the Borrowing Base Shortfall is not eliminated as required above within the BBS Cure Period, such failure shall be an Event of Default for the purposes of this Agreement. If the Borrowing Base Shortfall is eliminated as required above within the BBS Cure Period, then the undrawn credit hereunder shall again become available on the terms and conditions hereof (including the Borrowing Base calculation) to the extent of the Total Operating Facility Commitment in accordance with the provisions of this Section 3.7 as aforesaid. Any amounts paid to the Lenders pursuant to this Section 3.7 shall be applied to the Operating Facility and to each Lender in accordance with its Applicable Percentage thereunder, subject to Section 4.6.

- (d) **No Increase:** No increase in the Borrowing Base shall result in any increase of the Total Operating Facility Commitment or of the maximum amounts set forth in Section 3.1(b).

### 3.8 Selection of Interest Periods

If the Borrower elects to borrow by way of a SOFR Loan or a CORRA Loan pursuant to Section 3.6, elects to convert a Borrowing into a SOFR Loan or a CORRA Loan pursuant to Section 3.12 or elects to Rollover a SOFR Loan or a CORRA Loan pursuant to Section 3.13, the Borrower shall, prior to the beginning of the Interest Period applicable to such SOFR Loan or CORRA Loan, as the case may be, in accordance with the same period of notice required for the initial drawdown of a SOFR Loan or a CORRA Loan as set forth in Section 3.6, select and notify the Administrative Agent by delivery of a Borrowing Notice, Conversion Notice or Rollover Notice, as the case may be, of the Interest Period (which

shall begin and end on a Business Day) applicable to such SOFR Loan or CORRA Loan. If the Borrower fails to give to the Administrative Agent a notice as aforesaid prior to the date of maturity of a SOFR Loan or a CORRA Loan, as the case may be, in accordance with the same period of notice required for the original Borrowing, then the amount of such SOFR Loan shall be converted on its maturity to a U.S. Base Rate Loan and the amount of such CORRA Loan shall be converted on its maturity to a Prime Loan, in each case, pursuant to Section 3.12.

### 3.9 Letters of Credit

- (a) **Aggregate Amount:** The aggregate face amount of Letters of Credit issued and outstanding under the Operating Facility at any one time shall not exceed the lesser of: (i) Cdn.\$5,000,000, and (ii) the Total Operating Facility Commitment, as the case may be.
- (b) **Issuance:** The Fronting Lender, on behalf of the Lenders, subject to the terms and conditions hereof and in reliance on the agreements of the Lenders set forth in Section 3.9(i), agrees to issue Letters of Credit for the account of the Borrower from time to time on any Business Day. No Letter of Credit shall be issued if, after giving effect thereto, the amount of Borrowings under all Letters of Credit issued by the Fronting Lender exceeds the Fronted LC Commitment of the Fronting Lender. Any request by the Borrower for the issuance of a Letter of Credit shall be given to the Administrative Agent (with a copy to the Fronting Lender) in accordance with Section 3.6. The Borrower shall specify whether the Letter of Credit is a Financial LC or a Non-Financial LC, but if there is a dispute in that regard, the Fronting Lender shall determine whether the requested Letter of Credit is a Financial LC or a Non-Financial LC in accordance with its usual and customary practices.
- (c) **Documentation:** The Fronting Lender shall not have any obligation to issue a Letter of Credit until the Borrower has executed and delivered to the Fronting Lender a duly completed letter of credit application in the Fronting Lender's standard form and such ancillary documents, including applications and indemnities, as the Fronting Lender generally requires for like transactions and which are consistent with the provisions hereof. A Letter of Credit may not be issued by the Fronting Lender if the Fronting Lender is made aware that any Lender would be prohibited, if it were issuing such Letter of Credit, from issuing such Letter of Credit by any applicable law, regulation, treaty, official directive or regulatory requirement now or hereafter in effect (whether or not having the force of law). The Borrower and each Lender hereby authorize the Fronting Lender to review on behalf of each Lender each draft and other document presented under each Letter of Credit issued by the Fronting Lender. The determination of the Fronting Lender as to the conformity of any documents presented under a Letter of Credit to the requirements of such Letter of Credit shall, in the absence of the Fronting Lender's gross negligence or wilful misconduct, be conclusive and binding on the Borrower and each Lender.
- (d) **Records re Letters of Credit:** The Administrative Agent and the Fronting Lender shall maintain records showing the undrawn and unexpired amount of each Letter of Credit issued by the Fronting Lender and outstanding hereunder and each Lender's share of such amount and showing for each Letter of Credit issued hereunder:
  - (i) the dates of issuance and expiration thereof;
  - (ii) the amount thereof; and
  - (iii) the date and amount of all payments made thereunder.

The Administrative Agent and the Fronting Lender shall make copies of such records available to the Borrower or any Lender upon its request.

- (e) **Expiry:** Each Letter of Credit shall expire not later than one (1) year from the date of its issuance, subject to customary automatic renewal provisions, and in any event not later than the Maturity Date as at the date of such issuance, and shall be in a form satisfactory to the Fronting Lender.
- (f) **Renewal:** At or before 10:00 a.m. (Calgary time) at least thirty (30) days prior to the date of expiry of any Letter of Credit, the Borrower may elect to renew such Letter of Credit by selecting a new expiry date for the Letter of Credit or part thereof being renewed, which shall commence on the expiry date of the Letter of Credit being renewed. Renewal of any such Letter of Credit may only be effected by the Fronting Lender extending the expiry date of the existing Letter of Credit and shall be done by any of (i) the inclusion of auto-renewal clauses in the Letter of Credit, (ii) the issuance of a new Letter of Credit containing the new expiry date or (iii) by an amendment to the existing Letter of Credit, and, in any case, with or without a reduction in the face amount thereof. Renewal of any Letter of Credit shall not be effected to the extent that such renewal would prevent or interfere with any required payment of principal hereunder. Any issuance to a new beneficiary, any increase in the face amount of the Letter of Credit or any other material change in the terms thereof shall be considered to be a new Borrowing and may only be effected by the Borrower by delivering a Borrowing Notice to the Fronting Lender in accordance with Section 3.6. Letter of Credit Fees in respect of any renewed or extended Letter of Credit shall be payable pursuant to Section 5.5 and shall be computed for the period of renewal or extension.
- (g) **Duty of Care:** The Fronting Lender shall exercise and give the same care and attention to each Letter of Credit issued by it hereunder as it gives to its other letters of credit and similar obligations, and the Fronting Lender's sole liability to each Lender shall be to promptly return to the Administrative Agent for the account of the Lenders, each Lender's Applicable Percentage under the Operating Facility of any payments made to the Fronting Lender by the Borrower hereunder (other than the fees and amount payable to the Fronting Lender for its own account) if the Borrower has made a payment to the Fronting Lender hereunder. Each Lender agrees that, in paying any drawing under a Letter of Credit, the Fronting Lender shall not have any responsibility to obtain any document (other than as expressly required by such Letter of Credit) or to ascertain or inquire as to the validity or accuracy of any such document or the authority of any person delivering any such document. Neither the Fronting Lender, nor any of its representatives, officers, employees or agents, shall be liable to any Lender for:
  - (i) any action taken or omitted to be taken in connection herewith at the request or with the approval of the Lenders;
  - (ii) any action taken or omitted to be taken in connection with any Letter of Credit in the absence of gross negligence or wilful misconduct; or
  - (iii) the execution, effectiveness, genuineness, validity, or enforceability of any Letter of Credit, or any other document contemplated thereby.

The Fronting Lender shall not be liable for any error, omission, interruption or delay in transmission, dispatch or delivery of any message or advice, however transmitted, in connection with any Letter of Credit, except, as to any such Person, for errors or omissions caused by such Person's gross negligence or wilful misconduct.

- (h) **Payment:** The Fronting Lender shall, within a reasonable time following its receipt thereof, examine all documents purporting to represent a demand for payment under any Letter of Credit issued by the Fronting Lender. The Fronting Lender shall promptly after such examination:
- (i) notify the Administrative Agent and the Borrower in writing of such demand for payment;
  - (ii) deliver to the Administrative Agent a copy of each document purporting to represent a demand for payment under such Letter of Credit; and
  - (iii) notify the Administrative Agent and the Borrower whether said demand for payment was properly made under such Letter of Credit.

All payments made by the Fronting Lender to any Person pursuant to any Letter of Credit shall, unless the Borrower reimburses the Administrative Agent for the account of the Fronting Lender for such payment on or before the date it is made, be deemed as and from the date of such payment to be an advance to the Borrower of a Prime Loan under the Operating Facility with the proceeds of such advance being applied against the Borrower's obligations to reimburse the Fronting Lender for payment made under the Letters of Credit, and the provisions hereof relating to such Prime Loans (including interest to be calculated thereon) shall apply thereto.

(i) **Fronting Lender Participation and Indemnity:**

- (i) The Fronting Lender irrevocably grants, and, in order to induce the Fronting Lender to issue any Letters of Credit hereunder, each Lender irrevocably accepts and hereby purchases from the Fronting Lender on the terms and conditions hereinafter stated, for its own account and risk, an undivided interest (equal to the Applicable Percentage of such Lender under the Operating Facility) in the Fronting Lender's obligations and rights under each Letter of Credit issued by the Fronting Lender pursuant to this Section 3.9 and the amount of each draft paid by the Fronting Lender thereunder. If the Fronting Lender makes payment under any Letter of Credit and the Borrower does not fully reimburse the Fronting Lender on or before the date of payment, then Section 3.9(h) shall apply to deem that portion of the payment of such Letter of Credit not reimbursed by the Borrower to be a Prime Loan under the Operating Facility to be outstanding by the Borrower in the manner herein set out. Each Lender shall, on request by the Fronting Lender, immediately pay to the Fronting Lender an amount equal to such Lender's Applicable Percentage under the Operating Facility of the amount paid by the Fronting Lender such that each Lender is participating in the deemed Accommodation in accordance with such Applicable Percentage and, for certainty, regardless of whether any Default or Event of Default is then outstanding or whether any other condition to the making of an Accommodation has been satisfied or not.
- (ii) Each Lender shall immediately on demand indemnify the Fronting Lender to the extent of its Applicable Percentage under the Operating Facility for any amount paid or liability incurred by the Fronting Lender under each Letter of Credit issued by it to the extent that the Borrower does not fully reimburse the Fronting Lender therefor.
- (iii) For certainty, the obligations set out in this Section 3.9(i) shall continue as obligations of those Lenders who were Lenders at the time when each such Letter of Credit was issued notwithstanding that such Lender may assign its rights and obligations hereunder, unless the Fronting Lender specifically releases such Lender from such obligations in writing.

(iv) Each Lender acknowledges that its obligations to each Fronting Lender under this Section 3.9, including the obligation to purchase and fund a participation in the obligations and rights of the Fronting Lender under each Letter of Credit issued by it and any drafts paid by it for which it has not been fully reimbursed by the Borrower, are absolute and unconditional and shall not be affected by any circumstance whatsoever, including, without limitation:

- (A) the occurrence and continuance of any Default or Event of Default;
- (B) any failure or inability of any other Lender to purchase or fund such a participation hereunder; or
- (C) any other failure by any other Lender to fulfill its obligations hereunder.

Each payment by a Lender to the Fronting Lender shall be made, without any offset, compensation, abatement, withholding or reduction whatsoever.

(j) **Absolute Obligation:** The obligations of the Borrower under this Agreement in respect of Letters of Credit shall be absolute, unconditional and irrevocable under any and all circumstances and irrespective of any set-off, counterclaim or defense to payment which any Person may have or have had against the Administrative Agent, any Lender, the Fronting Lender or any beneficiary of a Letter of Credit.

(k) **No Defences:** The obligations of the Borrower in respect of a Letter of Credit shall not be affected by:

- (i) any lack of validity or enforceability of such Letter of Credit;
- (ii) any draft, demand, certificate or any other document presented under such Letter of Credit proving to be forged, fraudulent or invalid in any respect or any statement therein being untrue or inaccurate in any respect;
- (iii) a Default or an Event of Default that has occurred and is continuing;
- (iv) any dispute between or among the Borrower and any beneficiary of such Letter of Credit or any other party to which such Letter of Credit may be transferred;
- (v) any claims, compensation, set-off, defence or other right whatsoever of the Borrower against any beneficiary of such Letter of Credit or any such transferee;
- (vi) payment under such Letter of Credit against presentation of a draft or other document that does not comply strictly with the terms of such Letter of Credit;
- (vii) the existence of any Event of Default specified in Section 10.1(h) or Section 10.1(i) with respect to the Borrower; or
- (viii) any other event or circumstance whatsoever that might, but for the provisions of this Section 3.9(k), constitute a legal or equitable discharge of the obligations of the Borrower hereunder or in respect of such Letter of Credit;

save and except only for payment under such Letter of Credit other than in compliance with the terms thereof in all material respects or other than as a result of the Fronting Lender's gross negligence or wilful misconduct.

- (l) **Uniform Customs:** The Uniform Customs and Practice for Documentary Credits as most recently published by the International Chamber of Commerce (the "**Uniform Customs**") shall in all respects apply to each Letter of Credit unless expressly provided to the contrary therein and shall be deemed for such purpose to be a part of this Agreement as if fully incorporated herein. In the event of any conflict or inconsistency between the Uniform Customs and the governing law of this Agreement, the Uniform Customs shall, to the extent permitted by Applicable Law, prevail to the extent necessary to remove the conflict or inconsistency.
- (m) **Action Binding:** Any action taken or omitted by the Administrative Agent, any Lender or any Fronting Lender under or in connection with any Letter of Credit or the related drafts or documents, if done in the absence of gross negligence or wilful misconduct and in accordance with the standards of care specified in the Uniform Customs, shall be binding on the Borrower and shall not result in any liability of the Administrative Agent or any Lender or the Fronting Lender to the Borrower.
- (n) **General:** Without limiting the generality of the foregoing:
  - (i) the Fronting Lender may accept documents that appear on their face to be in compliance with the terms of a Letter of Credit in all material respects without responsibility for further investigation, regardless of any notice or information to the contrary, and may make payment upon presentation of documents that appear on their face to be in compliance with the terms of such Letter of Credit in all material respects;
  - (ii) the Fronting Lender shall have the right, in its discretion acting reasonably, to decline to accept such documents and to make such payment if such documents are not in strict compliance with the terms of such Letter of Credit;
  - (iii) Section 3.9 shall establish the standard of care to be exercised by the Fronting Lender when determining whether drafts and other documents presented under a Letter of Credit comply with the terms thereof (and the parties hereto hereby waive, to the extent permitted by Applicable Law, any standard of care inconsistent with the foregoing); and
  - (iv) in the event of any conflict or inconsistency between the provision of any application and/or indemnity provided by the Borrower in connection with any Letter of Credit and this Agreement, the provisions of this Agreement shall prevail.
- (o) **Consequential Damages:** Notwithstanding anything to the contrary contained herein the Fronting Lender shall not be liable to the Borrower for any consequential, indirect, punitive or exemplary damages with respect to action taken or omitted to be taken by it under any Letter of Credit.
- (p) **Misuse:** As between the Borrower and the Fronting Lender, the Borrower assumes all risks of the acts and omissions of, or misuse of any Letter of Credit by, the beneficiary of such Letter of Credit.
- (q) **No Liability of Fronting Lender:** Except to ensure compliance with the applicable Letter of Credit, the Fronting Lender shall not have any responsibility for:

- (i) the form, validity, accuracy, genuineness or legal effect of any document submitted by any party in connection with the application for, issuance of or drawing under any Letter of Credit (even if it should in fact prove to be in any or all respects invalid, inaccurate, fraudulent or forged);
- (ii) the validity or sufficiency of any instrument transferring or assigning (or purporting to transfer or assign) any Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, which may prove to be invalid or ineffective for any reason;
- (iii) errors, omissions, interruptions or delays in transmission or delivery of any messages, by mail, cable, telegraph or otherwise (whether or not they are in cipher);
- (iv) errors in interpretation of technical terms;
- (v) any loss or delay in the transmission or otherwise of any document required in order to make a drawing under any Letter of Credit or of the proceeds thereof;
- (vi) the misapplication by the beneficiary of any Letter of Credit or of the proceeds of any drawing under such Letter of Credit; and
- (vii) any consequences arising from causes beyond the control of the Fronting Lender, including any Governmental Actions.

None of the above shall affect, impair, or prevent the vesting of any of the Fronting Lender's powers hereunder. Any action taken or omitted by the Fronting Lender under or in connection with any Letter of Credit issued by it or the related certificates if taken or omitted in good faith, shall not put the Fronting Lender under any resulting liability to the Borrower provided that the Fronting Lender acts without gross negligence and has not engaged in wilful misconduct.

- (r) **No Liability:** The Borrower shall have no obligation to indemnify the Fronting Lender in respect of any liability incurred by the Fronting Lender arising out of the gross negligence or wilful misconduct of the Fronting Lender as determined by a court of competent jurisdiction.

### 3.10 Notice of Repayment

The Borrower shall give the Administrative Agent prior written notice substantially in the form of Schedule "C" of each repayment of Borrowings (for certainty, other than a repayment solely from funds derived from further Borrowings and other than a reimbursement of a drawing under a Letter of Credit or repayment of a Swing Line Borrowing) in accordance with the same period of notice required pursuant to Section 3.6 for the initial drawdown of the basis of Borrowing being repaid. Notwithstanding the foregoing, no SOFR Loan or CORRA Loan may be repaid prior to the last day of the Interest Period applicable to such SOFR Loan or CORRA Loan upon payment by the Borrower of amounts payable in respect thereof pursuant to Section 11.6.

### 3.11 *Pro Rata* Treatment of Borrowings

- (a) ***Pro Rata* Borrowings:** Subject to Sections 1.8, 3.7, 3.11(b), 3.14, 3.16 and 4.1, each Borrowing under a Facility and each basis of Borrowing shall be made available by each applicable Lender and all repayments and reductions in respect thereof shall be made and applied in a manner so that the Borrowings under such Facility and each basis of Borrowing outstanding to each applicable Lender will, to the extent possible, thereafter be in the same proportion as the Applicable

Percentage of such Lender under such Facility. The Administrative Agent is authorized by the Borrower and each Lender to determine, in its sole and unfettered discretion, the amount of Borrowing under each Facility, each basis of Borrowing to be made available by each Lender and the application of repayments and reductions of Borrowings to give effect to the provisions of this Section 3.11(a) and Section 7.2; provided that no Lender shall, as a result of any such determination, have Borrowings outstanding in an amount which is in excess of: (i) with respect to the Term Facility, the Delayed Draw Facility or the Capex Facility, the amount of its Term Facility Commitment, Delayed Draw Facility Commitment or Capex Facility Commitment, respectively, and (ii) with respect to the Operating Facility, the lesser of: (A) the amount of its Operating Facility Commitment, and (B) its Applicable Percentage of the amount of the Borrowing Base.

- (b) **Further Assurances by Borrower:** To the extent reasonably possible, the Borrower and each Lender agrees to be bound by and to do all things necessary or appropriate to give effect to the provisions of this Section 3.11.

### 3.12 Conversion Option

The Borrower may, during the term of this Agreement, convert any basis of Borrowing (other than a Letter of Credit) to another basis of Borrowing under such Facility (other than a Letter of Credit) upon giving the Administrative Agent a Conversion Notice in accordance with the period of notice and other requirements set out in Section 3.6 applicable to the basis of Borrowing to which any Borrowing is being converted (other than delivery of a Borrowing Notice), provided that:

- (a) **CORRA Loans:** a CORRA Loan may be converted on the last day of the Interest Period applicable to such CORRA Loan or on any other day if the Borrower pays all amounts payable in respect thereof pursuant to Section 11.6 and, if a Default or Event of Default has occurred and is continuing at such time, shall be converted into a Prime Loan;
- (b) **SOFR Loans:** a SOFR Loan may be converted on the last day of the Interest Period applicable to such SOFR Loan or on any other day if the Borrower pays all amounts payable in respect thereof pursuant to Section 11.6 and, if a Default or Event of Default has occurred and is continuing at such time, shall be converted into a U.S. Base Rate Loan; and
- (c) **Prime Loans and U.S. Base Rate Loans:** a Prime Loan or U.S. Base Rate Loan may not be converted if a Default or Event of Default has occurred and is continuing at such time,

and provided further that any deemed Conversion of Swing Line Borrowings to Operating Borrowings in the circumstances contemplated in Section 3.14(h) shall not require delivery of a notice of Conversion.

On each Conversion Date, the Borrower shall be required to repay to the Administrative Agent for the account of the Lenders the basis of Borrowing which is being converted and, subject to the provisions of this Agreement, the Lenders shall be required to make available to the Borrower the Borrowings into which such basis of Borrowing is being converted; provided that the Borrower shall be entitled to direct the Administrative Agent to use the proceeds of all or any part of a new Borrowing to repay the Borrowing being converted.

### 3.13 Rollovers

The Borrower may effect a Rollover of all or, subject to the minimum aggregate amount specified in Section 3.6, a part of a Borrowing outstanding by way of a SOFR Loan or a CORRA Loan upon giving the Administrative Agent a Rollover Notice in accordance with the period of notice and other



requirements set out in Section 3.6 applicable to a Borrowing of the same type unless immediately prior to the commencement of any subsequent Interest Period, a Default (in respect of which the Administrative Agent has advised the Borrower that no Rollovers will be permitted) or Event of Default shall have occurred and be continuing, in which event the Borrower shall be deemed to have converted, in the case of a SOFR Loan, to a U.S. Base Rate Loan pursuant to Section 3.12 or, in the case of a CORRA Loan, to a Prime Loan pursuant to Section 3.12 and the Borrower shall not be entitled to continue such SOFR Loan or such CORRA Loan subsequent to the existing Interest Period applicable thereto. In the event notice of a Rollover of an existing SOFR Loan or CORRA Loan is not given pursuant to this Section 3.13 or notice of a conversion of such existing SOFR Loan or CORRA Loan is not given pursuant to Section 3.12, such SOFR Loan shall be converted to a U.S. Base Rate Loan on the last day of the Interest Period applicable to such existing SOFR Loan and such CORRA Loan shall be converted to a Prime Loan on the last day of the Interest Period applicable to such existing CORRA Loan.

### 3.14 Swing Line Borrowings

- (a) **Availability:** Notwithstanding Sections 3.5 and 3.11 but subject to Sections 8.5 and 3.14(l), the Borrower may make Swing Line Borrowings under the Operating Facility by delivering a duly executed Borrowing Notice to the Swing Line Lender (with a copy to the Administrative Agent) not later than 10:00 a.m. (Calgary time) on the proposed Drawdown Date (or such later time as may be agreed to by the Swing Line Lender in its sole discretion). Subject to Section 3.14(l), the Swing Line Lender shall, for same day value on the same date, pay to the Borrower the full amount of the relevant Swing Line Borrowing in accordance with any payment instructions set forth in the applicable Borrowing Notice. Each Swing Line Borrowing shall be made by the Swing Line Lender alone, without assignment to or participation by other Lenders. The making of each Swing Line Borrowing shall constitute a Borrowing hereunder and shall reduce the availability of the Operating Facility by the principal amount of such Swing Line Borrowing.
- (b) **Individual Lender Limits:** Subject to Section 4.3 at no time shall: (i) the aggregate principal amount of all Swing Line Borrowings owing to the Swing Line Lender exceed its Swing Line Commitment, or (ii) the aggregate principal amount of all Swing Line Borrowings owing to the Swing Line Lender, plus its Applicable Percentage of all Operating Borrowings, exceed the lesser of: (A) the amount of its Operating Facility Commitment and (B) its Applicable Percentage of the amount of the Borrowing Base.
- (c) **Aggregate Limit:** Subject to Section 4.3, at no time shall the aggregate principal amount of all Swing Line Borrowings exceed Cdn.\$5,000,000 (or the Equivalent Amount in U.S. Dollars).
- (d) **Repayment:** Each Swing Line Borrowing shall mature and be repaid by the Borrower (or converted into an Operating Borrowing in accordance with Section 3.14(h)) on the maturity date selected by the Borrower in the Borrowing Notice requesting such Swing Line Borrowing. Notwithstanding Section 3.10, no Notice of Repayment or Conversion Notice shall be required to be given by the Borrower in respect of any such repayment or Conversion of any Swing Line Borrowing nor shall Swing Line Borrowings be rolled over or Converted except for Conversions into Operating Borrowings in accordance with Section 3.14(h).
- (e) **Mandatory Repayment:** If the Borrower requests an Operating Borrowing under the Operating Facility and the Swing Line Lender's Applicable Percentage of such Operating Borrowing would cause its Applicable Percentage of all Operating Borrowings, plus the Swing Line Borrowings then owing to it, to exceed the lesser of: (i) the amount of its Operating Facility Commitment, and (ii) its Applicable Percentage of the amount of Borrowing Base, then the Borrower shall be required to repay such Swing Line Borrowings (including, for certainty, by using an Operating Borrowing to

make such repayment) to the extent of such excess on or before the requested date of such Operating Borrowing.

- (f) **Prepayments:** The Borrower may make prepayments of Swing Line Borrowings at any time and from time to time without penalty; provided that the Borrower shall promptly advise the Administrative Agent in writing of each such prepayment.
- (g) **Sole Account:** All interest payments, acceptance fees and principal repayments of or in respect of Swing Line Borrowings shall be solely for the account of the Swing Line Lender. Subject to Section 3.14(h), all costs and expenses relating to the Swing Line Borrowings shall be solely for the account of the Swing Line Lender.
- (h) **Conversion to Operating Borrowings:** Notwithstanding anything to the contrary herein contained, or the contrary provisions of Applicable Laws, if an Event of Default occurs or any Swing Line Borrowing is not repaid on its maturity date, then the Swing Line Lender shall give notice thereof to the Administrative Agent (which notice shall include the outstanding principal of and accrued and unpaid interest on such Swing Line Borrowing), who shall forthwith provide a copy of such notice to the other Lenders under the Operating Facility and, effective on the day of notice to that effect to such other Lenders from the Swing Line Lender, then the Administrative Agent shall give notice thereof to the Borrower and the Borrower shall be deemed to have requested a Conversion of such Swing Line Borrowing into an amount of Operating Borrowings, in the same currency as the relevant Swing Line Borrowing under the Operating Facility, sufficient to repay the relevant Swing Line Borrowing and accrued and unpaid interest in respect thereof, and subject to the same period of notice set out in Sections 3.6(d)(i) and 3.6(d)(iii), such other Lenders shall disburse to the Administrative Agent for payment to the Swing Line Lender, their respective Applicable Percentage (under the Operating Facility) of such amounts and such amounts shall thereupon be deemed to have been advanced by such other Lenders to the Borrower and to constitute Operating Borrowings by way of Prime Loans (if the relevant Swing Line Borrowing was denominated in Cdn. Dollars) or U.S. Base Rate Loans (if the relevant Swing Line Borrowing was denominated in U.S. Dollars). Such Operating Borrowings shall be deemed to be comprised of principal and accrued and unpaid interest in the same proportions as the corresponding Swing Line Borrowings. If a relevant Lender does not disburse to the Administrative Agent for payment to the Swing Line Lender its Applicable Percentage (under the Operating Facility) of any amount under this Section 3.14 then: (A) such Lender shall purchase participations from the Swing Line Lender in such Operating Borrowings (without recourse to such Swing Line Lender) for an amount or otherwise effect transactions to achieve the financial results contemplated by this Section 3.14, and (B) for the purpose only of any distributions or payments to the Lenders (and not, for greater certainty, for purposes of any obligations of the Lenders), including any distribution or payment with respect to the Borrower in the event of any enforcement or realization proceedings or any bankruptcy, winding-up, liquidation, arrangement, compromise or composition, the applicable Loans owing to such Lender shall be deemed to be nil and the applicable Loans owing to the Swing Line Lender shall be increased by the applicable Loans owing to such Lender until the amounts owed by the Borrower are outstanding to each Lender under the Operating Facility in accordance with their respective Applicable Percentage thereunder determined without regard to this sentence. If any amount disbursed by a Lender to the Administrative Agent for payment to the Swing Line Lender under this Section 3.14 and deemed to have been advanced to the Borrower must be repaid by the Swing Line Lender or by the relevant Lender to the Borrower, then no reduction of the relevant Swing Line Borrowings as contemplated above shall be deemed to have occurred, but the Lenders under the Operating Facility shall purchase participations in the relevant Swing Line Borrowings (without recourse to the Swing Line Lender) for an amount or otherwise effect transactions to achieve the financial results contemplated by this Section 3.14.

- (i) **Unconditional Obligation:** For certainty, it is hereby acknowledged and agreed that the Lenders under the Operating Facility shall be obligated to disburse to the Administrative Agent for payment to the Swing Line Lender its Applicable Percentage of any Operating Borrowings contemplated by Section 3.14(h) regardless of:
- (i) whether a Default or Event of Default has occurred or is then continuing or whether any other condition in Article 8 is met; and
  - (ii) whether or not the Borrower has, in fact, actually requested such Conversion (by delivery of a Conversion Notice or otherwise).
- (j) **Continuing Obligations:** Notwithstanding that any Lender may assign its rights and obligations under this Agreement, the obligations in this Section 3.14 shall continue as obligations of the Persons who were Lenders under the Operating Facility at the time each such Swing Line Borrowing was made, unless the Swing Line Lender specifically releases such Lender from such obligations in writing.
- (k) **Designation and Termination of Swing Line Lender:**
- (i) Subject to Section 3.14(k)(ii)(B), the term of the Swing Line Commitment of the Swing Line Lender shall be the same as the term of the Operating Facility Commitment of the Swing Line Lender.
  - (ii) In connection with its response to any Request for Extension, the Swing Line Lender shall either:
    - (A) extend its Swing Line Commitment to the Maturity Date specified in such Request for Extension at the same amount or, with the consent of the Borrower, a lower amount or a higher amount; or
    - (B) terminate its Swing Line Commitment effective on the expiration of its then current Maturity Date.
  - (iii) The Borrower shall be entitled from time to time to:
    - (A) designate any Lender to be the Swing Line Lender by providing a written notice of such designation to the Administrative Agent and such Lender (which notice shall include the consent to such designation by such Lender); and/or
    - (B) terminate a Lender as the Swing Line Lender by providing a written notice of such termination to the Administrative Agent and such Lender and repaying all Swing Line Borrowings owing to the Swing Line Lender;

provided that (I) the Administrative Agent shall have the right to approve the identity of the Swing Line Lender (such approval not to be unreasonably withheld), and (II) no more than one Lender shall be the Swing Line Lender at any time.
  - (iv) If the Borrower terminates the Swing Line Lender pursuant to Section 3.14(k)(iii), then the Swing Line Lender shall not be required to make any new Swing Line Borrowings under the Operating Facility; provided that the Swing Line Lender shall remain Swing Line Lender with respect to all outstanding Swing Line Borrowings made by it until all such

Swing Line Borrowings have been fully repaid and/or converted into Operating Borrowings.

- (l) **Overdraft:** Notwithstanding the foregoing, Swing Line Borrowings may be available by way of Overdraft and any such Overdraft, when honoured, shall be deemed to be a Swing Line Borrowing in either Cdn. Dollars or U.S. Dollars, as applicable. Any Swing Line Borrowing by way of Overdraft which is Cdn. Dollars shall be deemed to be a Prime Loan and any Swing Line Borrowing by way of Overdraft which is in U.S. Dollars shall be deemed to be a U.S. Base Rate Loan. No notice for any such Overdraft shall be required.

### 3.15 Notices Irrevocable

All notices delivered or deemed to be delivered by the Borrower pursuant to this Article 3 shall be irrevocable and shall oblige the Borrower to take the action contemplated on the date specified therein.

### 3.16 Takeover Notification

If the Borrower wishes to utilize Borrowings to offer to, or to provide funds to any Subsidiary to, acquire or offer to acquire directly or indirectly (which shall include an offer to purchase securities, solicitation of an offer to sell securities, an acceptance of an offer to sell securities, whether or not the offer to sell was solicited, or any combination of the foregoing) outstanding securities of any Person (the "**Target**") which constitutes a "take over bid" pursuant to applicable corporate or securities legislation (in any case, a "**Takeover**"), then either:

- (a) **Lender Consents:** the following steps shall be taken:
- (i) at least seven (7) Business Days prior to the delivery of any notice to the Administrative Agent pursuant to Section 3.6 requesting Accommodations intended to be utilized for such Takeover, the President, the Chief Executive Officer, the Chief Operating Officer, the Chief Financial Officer or the Treasurer of the Borrower shall advise the Administrative Agent (who shall promptly advise an appropriate officer of each Lender) of the particulars of such Takeover in sufficient detail to enable each Lender to determine whether it will consent to the use of Accommodations from such Lender for such Takeover;
  - (ii) within five (5) Business Days of being so advised, each Lender shall notify the Administrative Agent of such Lender's determination as to whether it consents to the use of Accommodations from such Lender for such Takeover (such determination to be made by such Lender in the exercise of its sole discretion having regard to such considerations as it deems appropriate), provided that in the event such Lender does not so notify the Administrative Agent within such five (5) Business Day period, such Lender shall be deemed to have notified the Administrative Agent that it does not so consent; and
  - (iii) the Administrative Agent shall promptly notify the President, the Chief Executive Officer, the Chief Operating Officer, the Chief Financial Officer or the Treasurer of the Borrower of each Lender's determination or deemed determination;

and in the event that any Lender does not, or is deemed to not, provide such consent, then upon the Administrative Agent so notifying the Borrower, such Lender shall have no obligation to provide Accommodations for such Takeover notwithstanding any other provision of this Agreement to the contrary; provided, however, that each other Lender (a "**Takeover Lender**") which does so consent

shall have an obligation, up to the amount of its Commitment, to provide Accommodations for such Takeover, and any such Accommodations provided for such Takeover shall be provided by each Takeover Lender in accordance with the ratio that its Applicable Percentage under the applicable Facility bears to the aggregate of the Applicable Percentages of all the Takeover Lenders under such Facility; and

- (b) **Takeover Loans:** if Accommodations are utilized for the purposes of a Takeover (a "**Takeover Loan**") and there are Lenders other than Takeover Lenders (the "**Non-Takeover Lenders**"), the Applicable Percentage of each Non-Takeover Lender shall be temporarily adjusted in accordance with Section 3.16(a) and, as applicable, subsequent Borrowings shall be funded firstly by Non-Takeover Lenders and subsequent repayments shall be applied firstly to Takeover Lenders, in each case until such time as the Applicable Percentage of each Takeover Lender and Non-Takeover Lender under the applicable Facility is equal to such Applicable Percentage in effect immediately prior to the advance of the Takeover Loan.

### 3.17 Lender Swaps

- (a) **Swaps:** Subject to the terms and conditions hereof (and specifically Section 9.2(l)), each of the Lenders (or an Affiliate of such Lender) may from time to time enter into Swaps with any Loan Party during the term of this Agreement. Prior to engaging in any Lender Swaps, the applicable Loan Party shall enter into an ISDA Master Agreement with the applicable Swap Lender, or a confirmation that incorporates by reference the terms of an ISDA Master Agreement.
- (b) **Secured Obligations:** The parties agree that all Swap Indebtedness of a Loan Party to a Swap Lender shall be secured by the Security. All Permitted Swap Indebtedness shall, as to the Security, rank *pari passu* with the Borrowings, the Cash Management Obligations and the Creditcard Obligations. All Swap Indebtedness of a Loan Party to any Swap Lender, other than Permitted Swap Indebtedness, shall, as to the Security, rank junior and be subordinate in every respect to the Borrowings, the Permitted Swap Indebtedness, the Cash Management Obligations and the Creditcard Obligations.
- (c) **Determination of Permitted Swaps:** Lender Swaps which constitute Permitted Swaps at any time shall be determined starting with the earliest Lender Swap entered into which is still outstanding on the date such determination is made, and so on chronologically with each subsequent Lender Swap, until the applicable limitations under Section 9.2(l) are exceeded, provided that a Lender Swap shall be deemed to be a Permitted Swap (and the indebtedness thereunder Permitted Swap Indebtedness) if it is entered into by a Swap Lender without actual notice or knowledge that such Lender Swap is not a Permitted Swap.
- (d) **Mandatory Lenders Swaps and Prepayments:** Notwithstanding any other provision contained herein, the parties hereto acknowledge and agree that each and every Lender Swap entered pursuant to Section 9.1(q) shall include an Additional Termination Event (as defined in the ISDA 2002 Master Agreement) to allow for the termination of such Lender Swap to the extent of any prepayments contemplated by Section 4.5 of this Agreement and, for the purposes of such Additional Termination Event, each of the parties to the Lender Swap shall be deemed to be an Affected Party (as defined in the ISDA 2002 Master Agreement) and for any Early Termination Amount (as defined in the ISDA 2002 Master Agreement) relating thereto shall be calculated as contemplated by Section 6(e)(ii)(3) of the ISDA 2002 Master Agreement.

### 3.18 Cash Management Services and Creditcard Facilities

Any Cash Management Lender and any Creditcard Lender may provide Cash Management Services and Creditcard Facilities, as applicable, to the Borrower or any other Loan Party from time to time. The parties agree that all Cash Management Obligations and Creditcard Obligations shall be secured by the Security and shall rank, as to the Security, *pari passu* with the Borrowings and the Permitted Swap Indebtedness, notwithstanding that they do not form part of the Borrowings. The Borrower agrees that it will not, and will not permit any other Loan Party to, incur Creditcard Obligations in excess of a principal amount of Cdn.\$500,000 (or the Equivalent Amount in any other currency), in aggregate for all Creditcard Lenders, provided that breach by the Borrower of this limitation shall not have the result of any Creditcard Obligations becoming unsecured.

### 3.19 Optional Increase of Commitments

- (a) **Capex Facility:** The Borrower may, at any time and from time to time, with the consent of all of the Lenders under the Capex Facility, add additional financial institutions hereunder as Lenders or increase the Capex Facility Commitment of a Lender and, in each case, thereby increase the Total Capex Facility Commitment and the Total Commitment; provided that:
- (i) the Administrative Agent shall have consented either to such financial institution becoming a Lender or, if it is already a Lender, to the increase in its Capex Facility Commitment, such consent not to be unreasonably withheld or delayed;
  - (ii) no Default or Event of Default shall have occurred and be continuing or would result therefrom and all statements, representations and warranties set out in Article 2 (other than those statements, representations and warranties made as of a specific date) shall be true and correct;
  - (iii) concurrently with the addition of a financial institution as an additional Lender under the Capex Facility or the increase of the Capex Facility Commitment of a Lender, such financial institution or Lender, as the case may be, shall purchase from each Lender under the Capex Facility such portion of the Borrowings under the Capex Facility owing to each such Lender as is necessary to ensure that the Borrowings owing to Lenders (and including therein such additional financial institution) are in accordance with the Applicable Percentage under the Capex Facility of all such Lenders (including the new financial institution) after giving effect to such increase and such financial institution shall execute such documentation as is required by the Administrative Agent, acting reasonably, to novate such financial institution as a Lender hereunder;
  - (iv) after giving effect to the proposed increase in the Total Capex Facility Commitment:
    - (A) the Total Capex Facility Commitment shall not exceed Cdn.\$35,000,000;
    - (B) no Default or Event of Default would result therefrom;
    - (C) the Senior Net Debt to EBITDA Ratio, calculated on a *pro forma* basis, after giving effect to such increase, shall not exceed 2.50 to 1.00,

and the Administrative Agent shall have received a duly executed and completed Compliance Certificate evidencing and certifying as to each of the matters set forth in paragraphs (ii) and (iii) above;

- (v) the Borrower and each Material Subsidiary has ratified and confirmed the Security to which each is a party, in respect of the Capex Facility, as so increased; and
  - (vi) the Borrower has provided to the Administrative Agent a certified copy of a directors' resolution of the Borrower authorizing any such increase in the Total Capex Facility Commitment and the Total Commitment (which may be the original directors' resolution authorizing the Facilities) together with such other documents and legal opinions with respect thereto in substantially the same form as the documents and legal opinion in respect of the Borrower delivered in connection with the initial closing of the Facilities.
- (b) **Other Facilities:** The Borrower may, at any time and from time to time, add additional financial institutions hereunder as Lenders under one or more of the Term Facility, the Delayed Draw Facility or the Operating Facility or increase the applicable Commitment of a Lender thereunder and thereby increase the Total Term Facility Commitment, the Total Delayed Draw Commitment and/or the Total Operating Commitment (and accordingly the Total Commitment), as the case may be, in each case, with the consent of all of the Lenders under such Facility; provided that:
- (i) the Administrative Agent shall have consented either to such financial institution becoming a Lender or, if it is already a Lender, to the increase in its Commitment under the applicable Facility, such consent not to be unreasonably withheld or delayed;
  - (ii) no Default or Event of Default shall have occurred and be continuing or would result from the proposed increase, and all statements, representations and warranties set out in Article 2 (other than those statements, representations and warranties made as of a specific date) shall be true and correct, and the Administrative Agent shall have received a duly executed certificate from the Borrower certifying as to each of the matters set forth in this paragraph;
  - (iii) concurrently with the addition of a financial institution as an additional Lender under the applicable Facility or the increase of the Commitment of a Lender thereunder, such financial institution or Lender, as the case may be, shall purchase from each Lender under the applicable Facility such portion of the Borrowings under such Facility owing to each such Lender as is necessary to ensure that the Borrowings owing to Lenders (and including therein such additional financial institution) are in accordance with the Applicable Percentage under the applicable Facility of all such Lenders (including the new financial institution) after giving effect to such increase and such financial institution shall execute such documentation as is required by the Administrative Agent, acting reasonably, to novate such financial institution as a Lender hereunder;
  - (iv) the Borrower and each Material Subsidiary has ratified and confirmed the Security to which each is a party, in respect of the applicable Facility, as so increased; and
  - (v) the Borrower has provided to the Administrative Agent a certified copy of a directors' resolution of the Borrower authorizing any such increase in the applicable Commitment and the Total Commitment (which may be the original directors' resolution authorizing the Facilities) together with such other documents and legal opinions with respect thereto in substantially the same form as the documents and legal opinion in respect of the Borrower delivered in connection with the initial closing of the Facilities.

**ARTICLE 4**  
**REPAYMENT AND PREPAYMENT**

**4.1 Mandatory Repayments**

- (a) **Scheduled Repayments:** Subject to the terms hereof, beginning on the last Business Day of the Fiscal Quarter during which a Drawdown is made under the Term Facility, the Capex Facility or the Delayed Draw Facility, in each case, up to and including the Maturity Date (each, a "**Scheduled Repayment Date**"), the Borrower shall repay applicable Borrowings under such Facility, together with all interest thereunder, by way of equal quarterly payments under such Facility, each in an amount calculated on the basis of:
- (i) with respect to the Term Facility and the Delayed Draw Facility, a six (6) year straight-line amortization for such Drawdowns; and
  - (ii) with respect to the Capex Facility, a seven (7) year straight-line amortization for such Drawdowns,

each to be further detailed in a repayment schedule prepared by the Administrative Agent, on behalf of the Lenders with respect to such Drawdowns and delivered to the Borrower. Each repayment of Borrowings under this Section 4.1(a) shall be made to the Administrative Agent for the account of the Lenders under the applicable Facility and shall effect a reduction of each Lender's Commitment under the applicable Facility so being repaid, on a *pro rata* basis, in accordance with such Lender's Applicable Percentage under such Facility.

- (b) **Excess Cash Flow Repayment:** In addition to the scheduled repayments set forth in Section 4.1(a) and so long as Borrowings remain outstanding hereunder, if the Senior Net Debt to EBITDA Ratio as at the end of a Fiscal Year is greater than or equal to:
- (i) with respect to the Fiscal Year ending December 31, 2024, 3.00 to 1.00; and
  - (ii) with respect to the Fiscal Year ending December 31, 2025 and each Fiscal Year thereafter, 2.50 to 1.00,

the Borrower shall repay Borrowings under the Facilities (in the order set forth in Section 4.1(d)), together with all accrued and unpaid interest and fees thereon and other obligations relating thereto, by an amount equal to fifty percent (50%) of Excess Cash Flow for such Fiscal Year (the "**Excess Cash Flow Repayment**"). The Excess Cash Flow Repayment shall be made on an annual basis, no later than five (5) Business Days after the date on which the annual financial statements referred to in Section 9.1(u) are delivered by the Borrower.

- (c) **Mandatory Repayments:** In addition to the scheduled repayments set forth above in Section 4.1(a) and the Excess Cash Flow Repayment referenced in Section 4.1(b), and so long as Borrowings remain outstanding hereunder, the Borrower shall immediately repay Borrowings under the Facilities (in the order set forth in Section 4.1(d)), together with all accrued and unpaid interest and fees thereon and other obligations relating thereto, using 100% of the net cash proceeds of:
- (i) any Disposition of Collateral of any Loan Party (for certainty, net of reasonable, *bona fide* transaction fees, costs and expenses incurred in connection with such Disposition) (excluding Dispositions set forth in paragraphs (a) through (h) of the definition of "Permitted Dispositions");



- (ii) any property or business interruption insurance claims received by any Loan Party;
- (iii) any issuance of Debt by a Loan Party (excluding Permitted Indebtedness set forth in paragraphs (a) through (e) of the definition thereof); and
- (iv) any issuance of equity by a Loan Party, other than issuance of equity to: (A) another Loan Party, or (B) employees of a Loan Party pursuant to Long-Term Incentive Programs or similar compensation plans,

provided that such repayment shall not be required if, (x) with respect to the proceeds referred to in paragraphs 4.1(c)(i) or 4.1(c)(ii), the applicable proceeds are subsequently reinvested in similar Property within 180 days of receipt thereof, or such longer period agreed upon between the Administrative Agent and the Borrower, each acting reasonably (and, for certainty, with notice of such reinvestment being provided to the Administrative Agent), and (y) with respect to the proceeds referred to in paragraphs 4.1(c)(iii) or 4.1(c)(iv), the applicable proceeds are subsequently applied or reinvested into a business purpose approved by the Administrative Agent within 180 days of receipt thereof, or such longer period agreed upon between the Administrative Agent and the Borrower, each acting reasonably.

- (d) **Application of Payments Excess Cash Flow Repayment and Mandatory Repayments:** Each repayment of Borrowings under Section 4.1(b) and Section 4.1(c) shall be made to the Administrative Agent for the account of the Lenders, and shall be applied by the Administrative Agent, in the following order:
- (i) *first*, to permanently prepay Term Borrowings (in inverse order of maturity to the remaining principal installments including the final payment due on the Maturity Date), on a *pro rata* basis, in accordance with each Lender's Applicable Percentage under the Term Facility, with a corresponding permanent reduction in the Total Term Facility Commitment as provided in Section 4.5, until the Term Borrowings are repaid in full;
  - (ii) *second*, to the extent any Delayed Draw Borrowings are outstanding hereunder, to permanently prepay such Delayed Draw Borrowings (in inverse order of maturity to the remaining principal installments including the final payment due on the Maturity Date), on a *pro rata* basis, in accordance with each Lender's Applicable Percentage under the Delayed Draw Facility, with a corresponding permanent reduction in the Total Delayed Draw Facility Commitment as provided in Section 4.5, until the Delayed Draw Borrowings are repaid in full;
  - (iii) *third*, to repay Capex Borrowings, on a *pro rata* basis, in accordance with each Lender's Applicable Percentage under the Capex Facility; provided that all amounts so repaid may be reborrowed as provided in Section 3.3 without any reduction to the Capex Facility Commitments hereunder, unless the Borrower has advised the Administrative Agent in writing that such repayment shall constitute a permanent prepayment of such Capex Borrowings with a corresponding permanent reduction in the Total Capex Facility Commitment as provided in Section 4.5; and
  - (iv) *fourth*, to repay Operating Borrowings, on a *pro rata* basis, in accordance with each Lender's Applicable Percentage under the Operating Facility; provided that all amounts so repaid may be reborrowed as provided in Section 3.3 without any reduction to the Operating Facility Commitments hereunder, unless the Borrower has advised the Administrative Agent in writing that such repayment shall constitute a permanent

prepayment of such Operating Borrowings with a corresponding permanent reduction in the Total Operating Facility Commitment as provided in Section 4.5.

#### **4.2 Repayments on Maturity**

On the Maturity Date of each Lender, the Borrower shall repay all Borrowings, all Creditcard Obligations, and all accrued and unpaid interest and fees then outstanding to such Lender and its Affiliates, as applicable, and the Commitment of such Lender under each Facility shall be reduced to zero. Payments shall be made to the Administrative Agent, for the account of the Lenders. The Borrower shall ensure that SOFR Loans, CORRA Loans or Letters of Credit made or issued by such Lender, mature on or prior to its Maturity Date. To the extent that any Secured Obligations remain outstanding after its Maturity Date, such Secured Obligations shall be cash collateralized and secured in a manner satisfactory to the Administrative Agent and the Lenders party thereto with additional interest thereon, at the rate or rates determined as herein provided, to the date of actual payment thereof.

#### **4.3 Repayment of Borrowings in Excess of Commitments**

If, due to exchange rate fluctuations (except for the circumstances provided in Section 3.7(c) which shall be governed by the time periods provided therein), Borrowings (determined in U.S. Dollars with all Borrowings denominated in Cdn. Dollars being converted to the Equivalent Amount of U.S. Dollars) to any Lender are in excess of (x) the amount of its Commitment under the applicable Facility, or (y) with respect to the Operating Facility, the lesser of: (i) the amount of its Operating Facility Commitment and (ii) such Lender's Applicable Percentage of the Borrowing Base, in each case:

- (a) by more than three percent (3%) on a day other than a Drawdown Date, Conversion Date or Rollover Date, the Borrower shall within five (5) Business Days repay, pay funds to the Administrative Agent for deposit into a Borrower Cash Collateral Account in accordance with Section 4.4 or otherwise reduce a portion of such Borrowings to the extent of the amount of such excess; or
- (b) by any amount on a Drawdown Date, Conversion Date or Rollover Date, the Borrower shall, as part of such Drawdown, Conversion or Rollover reduce or eliminate such excess on such date.

#### **4.4 Cash Collateralization**

If, on any day on which payments are required or permitted to be made hereunder, the Borrowings then outstanding include SOFR Loans, CORRA Loans or Letters of Credit in an amount such that the payment would require the Borrower to be liable under the funding indemnity contained in Section 11.6 or to pay a Letter of Credit prior to its expiry date, that portion of the payment which would otherwise be applied against any such SOFR Loan, CORRA Loan or Letter of Credit may, at the option of the Borrower, be paid to the Administrative Agent for deposit into a Borrower Cash Collateral Account in accordance with Section 10.4 and be applied against such SOFR Loan or such CORRA Loan on the expiration of the Interest Period applicable thereto or to such Letter of Credit, if necessary, on any drawdown thereunder. Any such amounts which remain on deposit in a Borrower Cash Collateral Account after payment of any amounts required to be paid hereunder shall be paid to the Borrower if no Default or Event of Default has then occurred and is continuing.

#### **4.5 Cancellation of Commitment and Prepayment**

The Borrower may, without penalty or premium, at any time during the term of this Agreement, upon at least five (5) Business Days' prior written notice to the Administrative Agent, cancel

all of the Total Commitment or any portion thereof in minimum amounts of \$5,000,000 and in whole multiples of \$1,000,000 thereafter (with an indication in such notice as to the amount of reduction to be applicable to the Total Term Facility Commitment, the Total Delayed Draw Facility Commitment, the Total Capex Facility Commitment and/or the Total Operating Facility Commitment), provided that on or prior to the last day of such notice period the Borrower has:

- (a) **Prepaid Borrowings:** prepaid or otherwise reduced Borrowings outstanding to each Lender in an amount equal to the amount by which Borrowings outstanding to such Lender would otherwise be in excess of its Applicable Percentage of the Total Term Facility Commitment, the Total Delayed Draw Facility Commitment, the Total Capex Facility Commitment and/or the Total Operating Facility Commitment, as the case may be, immediately after the reduction of the Commitments provided for in such notice; and
- (b) **Paid Interest:** paid all accrued interest and other charges and fees in respect of the Borrowings being repaid or reduced as aforesaid.

Any such notice of cancellation is irrevocable and the amount of the Total Commitment so cancelled and reduced may not be reinstated hereunder.

#### 4.6 Early Repayment of SOFR Loans, CORRA Loans and Letters of Credit

The Borrower shall not cancel all or any portion of the Total Commitment pursuant to Section 4.5 if the Borrowings required to be repaid to a Lender as a result thereof include Letters of Credit with an expiry date falling subsequent to the date of such cancellation, or SOFR Loans or CORRA Loans with an Interest Period falling subsequent to the date of such cancellation, unless, on the date of such cancellation, the Borrower has paid to the Administrative Agent for deposit into a Borrower Cash Collateral Account, for the account of such Lender: (i) in respect of SOFR Loans or CORRA Loans, the amount required to be paid pursuant to Section 11.6, and (ii) in respect of Letters of Credit, the undrawn amount thereof. Any such amounts which remain on deposit in a Borrower Cash Collateral Account after payment of any amounts required to be paid hereunder shall be paid to the Borrower if no Default or Event of Default has then occurred and is continuing.

#### 4.7 Evidence of Indebtedness

The Administrative Agent shall open and maintain accounts and records on the books of the Administrative Agent at the Administrative Agent's Branch of Account evidencing the applicable Borrowings and other amounts owing by the Borrower to the Lenders under this Agreement (and for such purposes the Administrative Agent shall be entitled to rely upon information provided by the Fronting Lender in respect of any Letters of Credit issued by the Fronting Lender and by the Swing Line Lender in respect of any Swing Line Borrowings made by the Swing Line Lender). The Administrative Agent shall debit therefrom the amount of such Borrowings and shall enter therein each payment of principal of and interest on the applicable Borrowings and fees and other amounts payable pursuant to this Agreement and shall record the Letters of Credit issued by the Fronting Lender and all other amounts becoming due to the Administrative Agent and each Lender under this Agreement. The accounts and records of the Administrative Agent so kept shall constitute, in the absence of manifest error, *prima facie* evidence of the indebtedness of the Borrower to the Administrative Agent, the Fronting Lender, the Swing Line Lender and each other Lender pursuant to this Agreement, the date each such Lender made each Borrowing available to the Borrower and the amounts the Borrower has paid from time to time on account of the principal and interest on the Borrowings, fees payable pursuant to this Agreement and other amounts owing hereunder.

**ARTICLE 5**  
**PAYMENT OF INTEREST AND FEES**

**5.1 Interest on Prime Loans**

The Borrower shall pay interest in Canadian Dollars on each Prime Loan made by each Lender at the Administrative Agent's Account for Payments at a rate per 365 days equal to the Prime Rate plus the Applicable Margin applicable to such Prime Loan. A change in the Prime Rate or the Applicable Margin will simultaneously cause a corresponding change in the interest payable on each Prime Loan. Such interest shall accrue daily based on the Prime Rate and Applicable Margin in effect on such day and is payable monthly in arrears on each Interest Date for the period commencing on and including the immediately prior Interest Date up to but not including the Interest Date on which such interest is to be paid and shall be calculated on a daily basis and on the basis of the actual number of days elapsed in a year of 365 days. The annual rates of interest to which the rates determined in accordance with the foregoing provisions of this Section 5.1 are equivalent, are the rates so determined multiplied by the actual number of days in the relevant year and divided by 365.

**5.2 Interest on U.S. Base Rate Loans**

The Borrower shall pay interest in U.S. Dollars on each U.S. Base Rate Loan made by each Lender at the Administrative Agent's Account for Payments at a rate per 365-day period equal to the U.S. Base Rate plus the Applicable Margin applicable to such U.S. Base Rate Loan. A change in the U.S. Base Rate or the Applicable Margin will simultaneously cause a corresponding change in the interest payable on each U.S. Base Rate Loan. Such interest shall accrue daily based on the U.S. Base Rate and Applicable Margin in effect on such day and is payable monthly in arrears on each Interest Date for the period commencing on and including the immediately prior Interest Date up to but not including the Interest Date on which such interest is to be paid and shall be calculated on a daily basis and on the basis of the actual number of days elapsed in a year of 365 days. The annual rates of interest to which the rates determined in accordance with the foregoing provisions of this Section 5.2 are equivalent, are the rates so determined multiplied by the actual number of days in the relevant year and divided by 365.

**5.3 Interest on SOFR Loans**

The Borrower shall pay interest in U.S. Dollars on each SOFR Loan made by each Lender at the Administrative Agent's Account for Payments, for the period commencing on and including the first day of the Interest Period applicable to such SOFR Loan up to but not including the last day of such Interest Period at a rate equal to the sum of Adjusted Term SOFR plus the Applicable Margin applicable to such SOFR Loan and which is in effect on the first day of the Interest Period applicable to such SOFR Loan. A change in the Applicable Margin will simultaneously cause a corresponding change in the interest payable on each SOFR Loan. Such interest shall accrue daily based on Adjusted Term SOFR and the Applicable Margin in effect on such day and is payable on each SOFR Interest Date applicable to such Interest Period and shall be calculated on a daily basis and on the basis of the actual number of days elapsed in the period for which such interest is payable (including the first day of such period but excluding the date on which such interest is payable) divided by 360. The annual rates of interest to which the rates determined in accordance with the foregoing provisions of this Section 5.3 are equivalent, are the rates so determined multiplied by the actual number of days in the relevant year and divided by 360.

**5.4 Interest on CORRA Loans**

The Borrower shall pay interest in Canadian Dollars on each CORRA Loan made by each Lender at the Administrative Agent's Account for Payments, for the period commencing on and including

the first day of the Interest Period applicable to such CORRA Loan up to but not including the last day of such Interest Period at a rate per annum on the basis of a 365-day year, equal to the sum of (a) in the case of a Daily Compounded CORRA Loan, Adjusted Daily Compounded CORRA plus the Applicable Margin applicable to such Daily Compounded CORRA Loan and which is in effect on the first day of the Interest Period applicable to such Daily Compounded CORRA Loan and (b) in the case of a Term CORRA Loan, Adjusted Term CORRA plus the Applicable Margin applicable to such Term CORRA Loan and which is in effect on the first day of the Interest Period applicable to such Term CORRA Loan. A change in the Applicable Margin applicable to Adjusted Term CORRA or Adjusted Daily Compounded CORRA will cause a corresponding change in the interest payable for the applicable CORRA Loan. Such interest shall accrue daily based on Adjusted Term CORRA or Adjusted Daily Compounded CORRA, as the case may be, and the Applicable Margin in effect on such day and is payable on each CORRA Interest Date applicable to such Interest Period and shall be calculated on a daily basis and on the basis of the actual number of days elapsed in the period for which such interest is payable (including the first day of such period but excluding the date on which such interest is payable) divided by 365. The annual rates of interest to which the rates determined in accordance with the foregoing provisions of this Section 5.4 are equivalent, are the rates so determined multiplied by the actual number of days in the relevant year and divided by 365.

#### **5.5 Letter of Credit Fees**

Upon the issuance of each Letter of Credit, the Borrower shall pay the Letter of Credit Fee to the Administrative Agent, for the benefit of the Lenders under the Operating Facility and shall pay the Fronting Fee to the Fronting Lender. Such fees shall be payable quarterly in arrears on the third Business Day of each calendar quarter commencing in the calendar quarter in which the applicable Letter of Credit was issued and shall be calculated based on the number of days during which any such Letter of Credit was outstanding during any such calendar quarter (the "LC Payment Period") divided by 365 and shall be paid in Canadian Dollars. All Letter of Credit fees hereunder shall be calculated on the basis of the daily maximum undrawn amount of such Letters of Credit outstanding during each LC Payment Period. The Letter of Credit Fee shall be for the sole account of the Lenders under the Operating Facility and the Fronting Fee shall be for the sole account of the Fronting Lender.

#### **5.6 Interest on Overdue Amounts**

Notwithstanding any other provision hereof, in the event that any amount due hereunder (including any interest payment) is not paid when due (whether by acceleration or otherwise), the Borrower shall and hereby agrees to pay to the applicable Lenders interest on such unpaid amount (including interest on interest), if and to the fullest extent permitted by Applicable Law, from the date that such amount is due until the date that such amount is paid in full (but excluding the date of such payment if the payment is made before 11:00 a.m. Calgary time), and such interest shall accrue daily, be calculated and compounded on the last Business Day of each month and be payable in the currency in which the applicable amount is due, on demand, as well after as before maturity, default and judgment, at a rate per annum that is equal to:

- (a) if such amount is payable in Canadian Dollars, the interest rate applicable to Prime Loans outstanding from time to time hereunder (whether or not any Prime Loans are then outstanding) plus the Applicable Margin plus two percent (2%) per annum; and
- (b) if such amount is payable in U.S. Dollars, the interest applicable to U.S. Base Rate Loans outstanding from time to time hereunder (whether or not any U.S. Base Rate Loans are then outstanding) plus the Applicable Margin plus two percent (2%) per annum.

The Borrower hereby waives, to the fullest extent it may do so under Applicable Law, any provisions of Applicable Law, including specifically the *Interest Act* (Canada) or the *Judgment Interest Act* (Alberta), which may be inconsistent with this Agreement.

#### **5.7 Administrative Agent's Fees**

The Borrower shall pay an agency fee to the Administrative Agent (for the Administrative Agent's sole account) at the Administrative Agent's Account for Payments, in an amount as agreed from time to time between the Administrative Agent and the Borrower, on the Effective Date and on each annual anniversary of the Effective Date and such fees shall, for purposes of this Agreement, be deemed to be an amount payable pursuant to this Agreement.

#### **5.8 Maximum Rate Permitted by Law**

No interest or fee to be paid hereunder shall be paid at a rate exceeding the maximum rate permitted by Applicable Law. In the event any such interest or fee exceeds such maximum rate, such interest or fee shall be reduced or refunded, as the case may be, so as to be payable at the highest rate recoverable under Applicable Law.

#### **5.9 Interest Generally**

The theory of deemed reinvestment shall not apply to the calculation of interest or payment of fees or other amounts hereunder, notwithstanding anything contained in this Agreement or in any other Loan Document now or hereafter granted to or taken by the Administrative Agent or any Lender and all interest and fees payable by the Borrower to a Lender shall accrue from day to day and be computed as described herein in accordance with the "nominal rate" method of interest calculation.

#### **5.10 Standby Fees**

Until the Maturity Date of each Lender, the Borrower shall pay standby fees to the Administrative Agent on behalf of each Lender, calculated quarterly in arrears to and including the last day of each quarter commencing on and including the Effective Date, and payable on the third Business Day following each such quarter and on the Maturity Date of each such Lender. Each payment of standby fees shall be calculated for the period commencing on and including the Effective Date or the last date on which such standby fees were payable hereunder, as the case may be, up to and including the last day of the quarter for which such standby fees are to be paid or the Maturity Date applicable to such Lender (whichever is earlier) and shall be in an amount equal to the Standby Fee Rate in effect on each day during such period of calculation multiplied by the difference, if positive, obtained by subtracting the applicable Borrowings under the applicable Facility outstanding from such Lender for each day in the period of the calculation, from the amount of such Lender's Commitment under such Facility, in effect on each such day (for certainty, without any regard to the amount of the Borrowing Base on such day). Such standby fees shall be calculated on a daily basis and on the basis of a 365-day year. For purposes of calculating standby fees payable pursuant to this Section 5.10, the amount of Borrowings outstanding from time to time in U.S. Dollars on each day during the period for which such standby fees are payable shall for the purposes of determining an Equivalent Amount on such day be notionally converted to the Equivalent Amount in Canadian Dollars using the Spot Rate for converting U.S. Dollars to Canadian Dollars on the first Business Day of each month for any calculation with respect to each month in the calculation period.

### 5.11 Interest and Fee Adjustment

In the event of a change in the Applicable Margin and the Standby Fee Rate as a result of a change in the Senior Net Debt to EBITDA Ratio, such change shall become effective on the day on which the Borrower delivers a Compliance Certificate in accordance with the requirements hereof evidencing such change in the Senior Net Debt to EBITDA Ratio or, if the Borrower has not delivered a Compliance Certificate as required by the terms hereof within the time permitted by Section 9.1(x), then such change in the Applicable Margin and Standby Fee Rate shall become effective on the latest date permitted hereunder for delivery of such Compliance Certificate, and the Applicable Margin and Standby Fee Rate shall be based on the highest Level in the table in the definition of Applicable Margin for the period from the latest date permitted hereunder for delivery of such Compliance Certificate until the date of delivery thereof.

### 5.12 Commitment & Other Lender Fees

Concurrently with the execution and delivery of this Agreement, the Borrower shall pay to the Administrative Agent for and on behalf of the Lenders (in accordance with the Applicable Percentage of the Total Commitment) a commitment fee in the amount agreed upon in writing between the Borrower and the Lenders. For greater certainty, the fees provided for in this Section 5.12 are in addition to any other fees payable in connection with the Facilities.

## ARTICLE 6 SECURITY

### 6.1 Security

To secure the payment and performance of all of the Secured Obligations, the Borrower shall execute and deliver, and shall cause each other Loan Party to execute and deliver, to the Administrative Agent, for the benefit of each Secured Party, the following documents (collectively, the "Security"):

- (a) the Loan Party Guarantee;
- (b) a Loan Party general security agreement executed by the Loan Parties granting a first priority security interest over all present and after-acquired personal property and a first floating charge over all other present and after-acquired property of such Loan Party (subject to Permitted Encumbrances which provide a security interest which takes priority over such general security agreement), with a first ranking specific fixed charge on all Equipment comprising "serial number goods" (as defined in the PPSA) having a book value greater than or equal to \$100,000 (other than Excluded Equipment), as determined by the Administrative Agent (the "**First Fixed Charge Equipment**") of such Loan Party, such general security agreement to be registered in Alberta, British Columbia and all other jurisdictions in which each such Loan Party hereafter carries on business or owns material Property;
- (c) to the extent any Loan Party is the registered owner of any material Intellectual Property, specific security agreements in respect of such material Intellectual Property as may be required by the Administrative Agent and the Lenders, in their sole discretion, each to be in form and substance satisfactory to the Administrative Agent;
- (d) to the extent requested by the Administrative Agent, an assignment of Material Agreements (other than Material Agreements described in paragraph (b) of the definition), together with counterparty consents and/or tripartite agreements in respect thereof, to the extent deemed necessary by, and in form and substance satisfactory to, the Administrative Agent and its counsel;

- (e) a landlord consent or waiver with respect to any lease of real property comprising a Material Agreement pursuant to paragraph (c) of the definition;
- (f) the Subordination Agreement and a subordination agreement or postponement and assignment of claims from each other shareholder or Affiliate of such Loan Party providing Permitted Subordinated Debt to such Loan Party; and
- (g) such other agreements, documents or instruments reasonably required by the Administrative Agent and the Lenders (or their legal counsel) from time to time.

## **6.2 Form of Security**

Without limiting the foregoing, the Security will be in such form or forms as required by the Administrative Agent, acting reasonably, and, subject to Section 6.4, will be registered in such offices in the provinces of Canada or any other jurisdiction as the Administrative Agent may from time to time reasonably require to protect the Security Interests created thereby. Should the Administrative Agent determine at any time and from time to time that the form and nature of the then existing Security is deficient in any way or does not fully provide the Secured Parties with the Security Interests and priority to which each is entitled hereunder, the Borrower will forthwith execute and deliver or cause to be executed and delivered to the Administrative Agent, at the Borrower's expense, such amendments to the Security or provide such new security as the Administrative Agent may reasonably request, in a form satisfactory to the Administrative Agent, acting reasonably.

## **6.3 Guarantees and Subsidiary Security**

Upon a Subsidiary becoming a Material Subsidiary and to secure the payment and performance of all Secured Obligations, the Borrower shall cause any such Subsidiary to execute and deliver (to the extent not already provided):

- (a) an unlimited Guarantee (or a joinder or addition agreement to the Loan Party Guarantee) in favour of the Administrative Agent for the benefit of the Secured Parties, guaranteeing the Secured Obligations of each other Loan Party;
- (b) a general security agreement (or a joinder or addition agreement to the existing loan party general security agreement provided by the Loan Parties pursuant to Section 6.1(b)) in favour of the Administrative Agent for the benefit of the Secured Parties granting a first priority Security Interest over all present and after-acquired personal property and a first floating charge over all other present and after-acquired property of such Material Subsidiary (subject to Permitted Encumbrances which provide a security interest which takes priority over such general security agreement), with a first ranking specific fixed charge on all First Fixed Charge Equipment of such Material Subsidiary, such general security agreement to be registered in Alberta, British Columbia and all other jurisdictions in which each such Material Subsidiary hereafter carries on business or owns material Property; and
- (c) to the extent such Material Subsidiary is the registered owner of any material Intellectual Property, specific security agreements in respect of such material Intellectual Property as may be required by the Administrative Agent and the Lenders, in their sole discretion, each to be in form and substance satisfactory to the Administrative Agent;
- (d) to the extent requested by the Administrative Agent, an assignment of Material Agreements (other than Material Agreements described in paragraph (b) of the definition), together with counterparty



consents and/or tripartite agreements in respect thereof, to the extent deemed necessary by, and in form and substance satisfactory to, the Administrative Agent and its counsel;

- (e) to the extent such Material Subsidiary is party to a lease of real property comprising a Material Agreement pursuant to paragraph (c) of the definition, a landlord consent or waiver with respect to such lease; and
- (f) to the extent such Material Subsidiary has Permitted Subordinated Debt, a subordination agreement or postponement and assignment of claims from the applicable Affiliate of such Loan Party,

together with certified copies of constating documents and resolutions, a certificate of incumbency, a legal opinion of outside counsel with respect to such Material Subsidiary and the Security provided by it and such other documents as the Administrative Agent and the Lenders (or their counsel) may reasonably require, all in a form substantially similar to those provided by the Borrower and, if applicable, the other Material Subsidiaries on the Effective Date with such changes as may be approved by the Administrative Agent, acting reasonably.

#### **6.4 Registrations and Renewals**

The Borrower shall and shall cause each other Loan Party, at the Borrower's sole cost and expense, to do all such commercially reasonable acts, execute all such instruments and provide such further assurances as the Administrative Agent may reasonably request from time to time to ensure that the priority of the Security Interests created by all of the Security executed and delivered to the Administrative Agent as contemplated hereby is duly protected and perfected by registration, filing or recordation of such Security or a caution, caveat, security notice or other appropriate instrument at all offices where necessary or of advantage to the protection or perfection thereof and to cooperate with the Administrative Agent and the Administrative Agent's counsel in renewing or refileing any registration, filing or recordation required hereby in order to preserve, protect and maintain the priority of such Security Interests, from time to time. The Administrative Agent may, at the Borrower's sole cost and expense, effect any or all such registrations, filings and recordings should the Borrower fail to do so forthwith upon the Administrative Agent's request as aforesaid.

#### **6.5 Security Effective Notwithstanding Date of Accommodations**

The Security Interests constituted by any of the Security or required to be created hereby or thereby shall be effective, and the undertakings as to Security Interests herein or in any Security shall be continuing, whether the monies hereby or thereby secured or any part thereof shall be advanced before or after or at the same time as the creation of any such Security Interest or before or after or upon the date of execution of this Agreement, and shall not be affected by the Secured Obligations fluctuating from time to time or the accounts established by the Administrative Agent or any Lender ceasing to be in debit balance.

#### **6.6 Extensions, Etc.**

The Secured Parties may directly, or through the Administrative Agent or other duly authorized representatives, grant extensions, take and give up securities, accept compositions, grant releases and discharges and otherwise deal with any Loan Party or any other Persons, sureties or securities as the Lenders, in their sole discretion, may see fit, all without prejudice to the liability of any Loan Party under the Credit Documents or the rights of the Secured Parties under the Credit Documents.

## 6.7 Notices

The Borrower shall notify the Administrative Agent of any details, as soon as available, of any: (a) decision to change the name of any Loan Party or the location of its chief executive office, (b) movement of Property to, or the acquisition of Property in, a jurisdiction where the Security is not registered or the Security Interests of the Security do not have the benefit of any existing registration, and (c) acquisition of real property in excess of \$5,000,000 (or the Equivalent Amount in any other currency), and in any event not less than ten (10) Business Days prior to any such change, movement or acquisition. Upon receiving such information, the Administrative Agent may, at the Borrower's cost and expense, effect any or all such registrations, filings and recordings in such additional jurisdictions at any applicable personal property registry office and obtain local counsel opinions in respect thereof and the Borrower shall, and shall cause each other Loan Party to, at the Borrower's sole cost and expense, do all such commercially reasonable acts, execute all such instruments and provide such further information and assurances as the Administrative Agent may require to promptly effect all such registrations, filings and recordings.

## 6.8 No Merger

The taking of any Security as provided under this Agreement or any Loan Document shall not operate by way of merger of any of the Secured Obligations of any Loan Party or any successor of any Loan Party under any Loan Document, or of any Security Interest, Guarantee, contract, promissory note, bill of exchange or security in any other form, whether or not similar to the foregoing, and no judgment recovered by the Administrative Agent on behalf of any Secured Party shall operate by way of merger or in any way affect the Security provided for in this Agreement, which shall be in addition to and not in substitution for any other security now or hereafter held by the Secured Parties whether for the Secured Obligations hereunder or under any Security. For greater certainty, no judgment recovered by the Secured Parties shall operate by way of merger or in any way affect the obligations of any Loan Party to pay interest or fees at the rates, times and manner as provided in the Credit Documents.

## 6.9 Further Assurances - Security

The Borrower shall, forthwith and from time to time on the reasonable request of the Administrative Agent, grant and cause each other Loan Party to grant to the Administrative Agent on behalf of the Secured Parties all such further rights and Security Interests necessary or of advantage to the Administrative Agent to permit it to operate the business of the Loan Parties in a liquidation of Property or as a going concern following the occurrence of an Event of Default. Without limiting the foregoing, the Borrower shall and shall cause each other Loan Party to, forthwith and from time to time on the reasonable request of the Administrative Agent, execute and do or cause to be executed and done all assurances and things which, in the opinion of the Administrative Agent, may be necessary or of advantage to give the Secured Parties the Security Interests and the priority intended hereunder to be created by the Security.

## 6.10 Release and Amendment of Security

No Secured Party shall, during the term of this Agreement, discharge, surrender, amend or otherwise modify any Security without the prior written consent of all of the Lenders, provided that the Administrative Agent may discharge Security provided hereunder: (i) at the discretion of the Administrative Agent with respect to Permitted Dispositions (in which case the Security shall cease to apply to the subject matter thereof), and (ii) pursuant to Section 9.4(b).

The Lenders, Swap Lenders, Cash Management Lenders and Creditcard Lenders hereby authorize the Administrative Agent, and the Administrative Agent hereby agrees to: (a) discharge the Security at the Borrower's sole cost and expense, forthwith after all of the Lender Outstandings and any

other Secured Obligations have been unconditionally and irrevocably paid or performed in full and the Facilities and all Lender Swaps have been terminated or collateralized to the satisfaction of the Administrative Agent, the Lenders and the Swap Lenders as applicable, (b) at the request of the Borrower, discharge that portion of the Security that applies to a Permitted Disposition or execute a no interest letter or similar document in connection with such Permitted Disposition, at the Borrower's sole cost and expense, (c) provide a subordination agreement or similar document in connection with any Permitted Encumbrance over any Excluded Equipment, and (d) discharge Security pursuant to Section 9.4(b).

#### **6.11 Security for Swaps with Former Lenders**

If a Lender ceases to be a Lender under this Agreement (a "**Former Lender**"), all Permitted Swap Indebtedness owing to such Former Lender and its Affiliates under Lender Swaps entered into while such Former Lender was a Lender shall remain secured by the Security (equally and rateably) to the extent that such Permitted Swap Indebtedness was secured by the Security prior to such Lender becoming a Former Lender and, subject to the following provisions of this Section 6.11 and unless the context otherwise requires, all references herein or in any other Loan Document to "Permitted Swap Indebtedness" shall include such obligations to a Former Lender and its Affiliates, and all references herein or in any other Loan Document to "Lenders" shall include Former Lenders for the purposes of such obligations. For certainty, any obligations under Swaps entered into with a Former Lender or an Affiliate thereof after the Former Lender has ceased to be a Lender shall not be secured by the Security. Notwithstanding the foregoing, no Former Lender or any Affiliate thereof shall have any right to cause or require the enforcement of the Security or any right to participate in any decisions relating to the Security, including any decisions relating to the enforcement or manner of enforcement of the Security or decisions relating to any amendment to, waiver under, release of or other dealing with all or any part of the Security; for certainty, the sole right of a Former Lender and its Affiliates with respect to the Security is to share, on a *pari passu* basis, in any proceeds of realization and enforcement of the Security.

#### **6.12 Permitted Encumbrances and Permitted Indebtedness**

None of:

- (a) the fact that any Person is permitted to create or suffer to exist any Permitted Encumbrance or Permitted Indebtedness;
- (b) the fact that any representation, warranty or covenant herein may make an exception for the existence of Permitted Encumbrances or Permitted Indebtedness; or
- (c) the fact that the Security Interests created pursuant to the Loan Documents are stated to be subject to, or are not required to rank in priority to, Permitted Encumbrances;

shall in any manner, nor in any cause or proceeding, directly or indirectly, be taken to constitute a subordination of any Security Interest created pursuant to the Loan Documents to any Permitted Encumbrance or to any other Security Interest or other obligation whatsoever, or that any of the Secured Obligations are in any way subordinate or junior in right of payment to any Permitted Indebtedness, it being the intention of the parties that all Security Interests created pursuant to the Loan Documents shall at all times, to the maximum extent permitted by Applicable Law, rank as first priority Security Interests in priority to Permitted Encumbrances and all other Security Interests or other obligations whatsoever and that the Secured Obligations will rank in right of payment at all times at least equally with such Permitted Indebtedness.

**ARTICLE 7  
PAYMENT**

**7.1 Time, Place and Currency of Payment**

Payments of principal, interest, fees and all other amounts payable by the Borrower pursuant to this Agreement shall be paid in the currency in which it is due for value at or before 11:00 a.m. (Calgary time) on the day such payment is due and shall only be considered to have been paid on such day if received at or before such time, failing which such amount shall be considered to have been paid and received on the following day. All payments owing from the Borrower to the Fronting Lender or the Swing Line Lender for its own account shall be paid to the Fronting Lender or the Swing Line Lender, as the case may be, at such Lender's Branch of Account for same day value on the day specified for payment. If any such day is not a Business Day, such amount shall be deemed for all purposes of this Agreement to be due (and with respect to amounts paid, to be received) on the Business Day next following such day and any such extension of time shall be included in the computation of the payment of any interest or fees payable under this Agreement. All payments in respect of the Facilities shall be made at the Administrative Agent's Account for Payments.

**7.2 Application of Payments**

Except as expressly set forth herein or otherwise agreed to by all of the Lenders in their sole discretion, all payments made by or on behalf of the Borrower pursuant to this Agreement, so long as no Default or Event of Default has occurred and is continuing, shall be applied by the Administrative Agent in accordance with the Borrower's instructions.

**7.3 Account Debit Authorization**

The Borrower authorizes and directs each of the Administrative Agent, the Swing Line Lender and the Fronting Lender, as applicable, in its discretion, to automatically debit, by mechanical, electronic or manual means, the bank accounts of the Borrower maintained with ATB (for so long as ATB is the Administrative Agent, the Fronting Lender and the Swing Line Lender hereunder) for all amounts payable under the Loan Documents including in respect of principal, interest and fees payable under this Agreement and recoverable expenses due and payable hereunder or under any Loan Document.

**ARTICLE 8  
CONDITIONS PRECEDENT TO DISBURSEMENT OF THE BORROWINGS**

**8.1 Effectiveness and Conditions Precedent**

This Agreement shall become effective upon, and the obligation of the Lenders to provide the initial Accommodations to the Borrower on the Effective Date is subject to and conditional upon, satisfaction of each of the following conditions precedent:

- (a) **Due Diligence:** the Administrative Agent and each of the Lenders shall have confirmed receipt of all authorizations and all financial statements, appraisals, budgets, environmental reports and any other financial and other information as the Administrative Agent or such Lenders may require in respect of the Borrower, including, without limitation:
  - (i) the organizational structure of the Loan Parties;

- (ii) not less than three (3) years of consolidated financial statements of the Borrower and the most current management prepared interim consolidated financial statements;
- (iii) consolidated quarterly projections dated as of the Effective Date in respect of the Borrower, including a balance sheet, income statement and statement of cash flows and a detailed capital and operating expenditure budget and financial covenant calculations through to the Maturity Date after giving effect to this Agreement and the Facilities;
- (iv) the December 31, 2023 asset appraisal in respect of the Loan Parties' Equipment;
- (v) the Borrower's *pro forma* balance sheet as at the Effective Date, giving effect to the Facilities; and
- (vi) all Material Agreements and other material documentation pertaining to the proposed financing and the business of the Loan Parties,

and shall have completed and be satisfied with: (A) their due diligence and review of any potential environmental, regulatory and litigation matters relating to the Loan Parties, (B) the value of the Loan Parties' Property and financial condition, and (C) the Loan Parties' ability to carry on their business and of the Borrower to repay all Borrowings from time to time;

- (b) **No Event of Default:** as of such time, no Default or Event of Default shall have occurred or will result from the initial Drawdowns hereunder and the Administrative Agent shall have received a certificate from the Borrower certifying the same;
- (c) **Representations and Warranties True:** the representations and warranties contained in Article 2 shall be true and correct as of such time, and the Administrative Agent shall have received a certificate from the Borrower certifying the same;
- (d) **Use of Drawdowns & Concurrent Payout of Existing Commitment Letters & Existing KMC Holdings Note:** the Administrative Agent shall be satisfied that the proceeds of the initial Drawdowns hereunder shall be utilized in accordance with Section 3.5, including to pay out in full and cancel each of the Existing Commitment Letters and the Existing KMC Holdings Note;
- (e) **Receipt of Documentation:** the Administrative Agent shall have received, in form and substance satisfactory to the Lenders, the following:
  - (i) a duly executed copy of this Agreement;
  - (ii) duly executed copies of the Security as required pursuant to Article 6;
  - (iii) a Borrowing Notice completed and signed by the Borrower with respect to the initial Drawdowns hereunder (such Borrowing Notice to have been delivered at least two (2) Business Days prior to the Effective Date);
  - (iv) a direction to pay from the Borrower addressed to the Administrative Agent confirming the application of the funds requested by the Borrower under the initial Drawdown advanced on the Effective Date and, among other things, irrevocably directing all or a portion of the such Drawdown to be used to pay out each of the Existing Commitment Letters and the Existing KMC Holdings Note, as contemplated by Section 8.1(d) (the "**Closing Direction to Pay**");

- (v) a general release and discharge from each applicable secured party in respect of each of the Existing Commitment Letters and the Existing KMC Holdings Note, and the Security Interests granted in favour of such secured party in connection therewith, to be effective upon receipt by it of the payout contemplated by Section 8.1(d);
  - (vi) a *pro forma* Borrowing Base Certificate;
  - (vii) a duly-executed *pro forma* Compliance Certificate dated as at the Effective Date, containing detailed covenant calculations and evidencing, without limitation: (i) compliance with each of the financial covenants set forth in Section 9.3, in each case, on a *pro forma* basis, after giving effect to the initial Drawdowns hereunder, and (ii) a Senior Net Debt to EBITDA Ratio not exceeding 3.35 to 1.00 (where EBITDA shall be calculated on a *pro forma* basis for the trailing twelve month period ending July 31, 2024 and containing detailed calculations in support thereof, taking into account the actual results reported by the Borrower for its most recent month end and the forecasted results for the remaining periods up to and including July 31, 2024);
  - (viii) certificate(s) of insurance showing the Administrative Agent, on behalf of the Secured Parties, as loss payee and additional insured and evidencing compliance with Section 9.1(e);
  - (ix) evidence of the registration of the Security as required hereunder;
  - (x) a certificate of status or similar document in respect of the Loan Parties issued under the laws of their applicable organizing jurisdiction;
  - (xi) an officer's certificate of each Loan Party attaching thereto its constating documents, its bylaws and other governing documents, its authorizing resolutions in respect of this Agreement and the other Loan Documents and an incumbency certificate;
  - (xii) an opinion of counsel to the Loan Parties, addressed to the Administrative Agent and each Lender, relating to, *inter alia*, the existence of each Loan Party and the authorization, execution, delivery and enforceability of the Loan Documents and the validity of the Security, all in form and substance satisfactory to the Administrative Agent, the Lenders and their legal counsel; and
  - (xiii) an opinion of counsel to the Administrative Agent, in form and substance satisfactory to the Administrative Agent; and
  - (xiv) such other documents and documentation which the Administrative Agent may reasonably request;
- (f) **Fees:** the Borrower shall have paid (or made arrangements satisfactory to the Administrative Agent to effect the payment of):
- (i) all fees and expenses then due to the Administrative Agent and/or the Lenders in respect of this Agreement and the Facilities; and
  - (ii) all documented legal fees and expenses of the legal counsel to the Administrative Agent and any other counsel and consultants employed by the Administrative Agent or any Lender;

- (g) **Know-Your-Client Confirmations:** no Lender shall have advised the Administrative Agent that such Lender has not received from the Loan Parties all such information and evidence as such Lender requested of the Loan Parties prior to the Effective Date as contemplated by Section 14.11;
- (h) **Absence of Claims:** there shall be no pending or threatened claim, suit or proceeding by any court or Governmental Authority, or other third party, which the Administrative Agent determines, in its sole discretion, could have a Material Adverse Effect on the business condition (financial or otherwise), results of operations, assets, liabilities or prospects of the Loan Parties, or could challenge the Facilities or could result in any person seeking any material amount of damages from any Loan Party; and
- (i) **Material Adverse Effect:** as of such time no circumstance or event shall have occurred which would reasonably be expected to have a Material Adverse Effect and no material adverse change (or the disclosure of any additional or different information to, or discovery of additional information by, the Administrative Agent (including without limitation, information contained in any review or report provided in connection with the Facilities)) shall have occurred in the business, condition (financial or otherwise), prospects or operations of the Loan Parties or their liabilities (contingent or otherwise) or their Property, since the date of the most recent financial statements provided to the Administrative Agent, and the Administrative Agent shall have received a certificate from the Borrower as to both such effects.

## 8.2 Conditions Precedent to Capex Accommodations

The obligation of the Lenders to provide any Capex Accommodation (including, for certainty, any Initial Capex Accommodations) to the Borrower (other than a Conversion or Rollover), is subject to and conditional upon, delivery of the following to the Administrative Agent, in form and substance satisfactory to the Administrative Agent and the Lenders:

- (a) a Borrowing Notice, in form and substance satisfactory to the Lenders, in respect of the requested Accommodation in accordance with Section 3.6; and
- (b) no less than five (5) Business Days prior to the proposed Drawdown Date, evidence verifying that the amount of such Accommodation is for the purpose of the Capex Facility, as more particularly set forth in Section 3.5(c), together with a duly-executed certificate of a senior officer of the Borrower dated as at the applicable Drawdown Date and certifying (subject to the satisfaction of the Lenders, acting reasonably):
  - (i) the applicable capital project completed internally, together with copies of fully-executed third-party invoices or bills of sale, work orders and other records detailing the same;
  - (ii) that (A) the amount of internal costs to be incurred by the Borrower with respect to the proposed Capital Expenditure would be equivalent to or lower than the amount of the corresponding costs that would be charged by a third-party provider, and (B) such costs are appropriately capitalized pursuant to GAAP;
  - (iii) a calculation of the seven (7) year amortization in respect of such Borrowings and the repayment thereof, as more particularly required pursuant to Section 4.1(a)(ii); and
  - (iv) with respect to any Capex Accommodations other than the Initial Capex Accommodations, a *pro forma* Senior Net Debt to EBITDA Ratio as at such date not exceeding a ratio of 0.50 to 1.00 below the maximum Senior Net Debt to EBITDA Ratio permitted pursuant to

Section 9.3(a) at such time; unless, at such time, the maximum Senior Net Debt to EBITDA Ratio permitted pursuant to Section 9.3(a) is 3:00 to 1.00 or lower, in which case, the *pro forma* Senior Net Debt to EBITDA Ratio for the purposes hereof shall not exceed 2.50 to 1.00, together with detailed calculations in support thereof.

### 8.3 Conditions Precedent to Delayed Draw Accommodations

The obligation of the Lenders to provide the Delayed Draw Accommodations (other than a Conversion or Rollover) to the Borrower is subject to and conditional upon satisfaction of each of the following conditions precedent:

- (a) such Accommodations shall be made not earlier than August 13, 2025 and not later than February 13, 2026 (such period, the "**Delayed Draw Availability Period**");
- (b) delivery of the following to the Administrative Agent, in form and substance satisfactory to the Administrative Agent and the Lenders:
  - (i) a Borrowing Notice, in form and substance satisfactory to the Lenders, in respect of the requested Accommodation in accordance with Section 3.6; and
  - (ii) no less than ten (10) Business Days prior to the proposed Drawdown Date, a duly-executed *pro forma* Compliance Certificate dated as at the applicable Drawdown date, (A) containing detailed covenant calculations and evidencing, without limitation, a Senior Net Debt to EBITDA Ratio not exceeding 2.50 to 1.00 and containing detailed calculations in support thereof, and (B) detailing the purpose of the requested Accommodation and that such purpose complies with Section 3.5(b).

### 8.4 Conditions Precedent to Deferred Term Accommodations

The obligation of the Lenders to provide any Deferred Term Accommodations (other than a Conversion or Rollover) to the Borrower is subject to and conditional upon satisfaction of each of the following conditions precedent:

- (a) such Accommodations shall be made by way of a second and final Drawdown no later than the Term Facility Availability End Date; and
- (b) delivery of the following to the Administrative Agent, in form and substance satisfactory to the Administrative Agent and the Lenders:
  - (i) a Borrowing Notice, in form and substance satisfactory to the Lenders, in respect of the requested Accommodation in accordance with Section 3.6; and
  - (ii) no less than ten (10) Business Days prior to the proposed Drawdown Date:
    - (A) a summary of the Borrower's proposed sources and uses with respect to such Deferred Term Accommodations; and
    - (B) a duly-executed *pro forma* Compliance Certificate dated as at the applicable Drawdown date, (I) evidencing compliance with all financial covenants set forth in Section 9.3 and containing detailed calculations in support thereof, and (II)



detailing the purpose of the requested Accommodation and that such purpose complies with Section 3.5(a)(ii).

#### **8.5 Conditions Precedent to each Utilization**

The obligation of the Lenders to provide any Accommodation to the Borrower (including pursuant to Section 3.14) or to issue any Letter of Credit, or to allow any Conversion or Rollover, is subject to and conditional upon satisfaction of each of the following conditions precedent:

- (a) receipt by the Administrative Agent of a Borrowing Notice, in form and substance satisfactory to the Lenders, in respect of the requested Accommodation (other than any Accommodation by way of Overdraft) in accordance with Section 3.6;
- (b) on each Drawdown Date, Conversion Date or Rollover Date, as applicable, there exists no Default, Event of Default or Borrowing Base Shortfall and no Default, Event of Default or Borrowing Base Shortfall shall exist immediately, on a *pro forma* basis, after giving effect to such Drawdown, Conversion or Rollover or drawing under a Letter of Credit;
- (c) on each Drawdown Date, the representations and warranties referred to in Section 2.2, other than those stated to be made as at a specific date, are true and correct in all material respects with the same effect as if made as of such date; and
- (d) after giving effect to such Drawdown, Conversion or Rollover or drawing under a Letter of Credit, the aggregate Borrowings under each Facility shall not exceed the maximum amounts referred to in Section 3.1(b).

#### **8.6 Waiver of a Condition Precedent**

The terms and conditions of Sections 8.1, 8.2, 8.3, 8.4 and 8.5 are inserted for the sole benefit of the Administrative Agent and the Lenders and may be waived by the Majority Lenders, in whole or in part, with or without terms or conditions, in respect of all or any portion of a Borrowing, without affecting the right of the Administrative Agent or the Lenders to assert such terms and conditions in whole or in part in respect of any other Borrowing.

### **ARTICLE 9 COVENANTS OF THE BORROWER**

#### **9.1 Positive Covenants of the Borrower**

The Borrower covenants and agrees with each of the Lenders and the Administrative Agent as set forth in this Article 9, unless the Administrative Agent on behalf of the Majority Lenders otherwise consents in writing, each such covenant and agreement to remain in full force and effect for the term of this Agreement as provided in Section 14.9 or, in the case of provisions stated to survive termination of this Agreement as described in Section 14.9, until the discharge thereof by the Administrative Agent in writing. The covenants and agreements set forth in this Article 9 are without limitation to any covenants, undertakings or agreements elsewhere contained herein or in any of the other Loan Documents:

##### **General Covenants**

- (a) **Payment and Performance:** the Borrower shall and shall cause each other Loan Party to duly and punctually pay all indebtedness and liabilities as and when due by it hereunder and perform all

other obligations on its part to be performed under the terms of the Loan Documents at the times and places and in the manner provided for therein;

- (b) **Maintain Corporate or Other Existence and Status:** the Borrower shall and shall cause each other Loan Party to maintain its corporate, partnership or trust existence, as applicable, in good standing and duly register and qualify and remain duly registered and qualified to do business or own or lease Property in each jurisdiction in which the nature of its business or the character of any Property owned or leased by it, requires such registration or qualification, except to the extent such failure to be so registered or qualified would not reasonably be expected to have a Material Adverse Effect;
- (c) **Maintenance of and Access to Books and Records:** the Borrower shall and shall cause each other Loan Party to keep proper and adequate records and books of account in which true and complete entries will be made in a manner sufficient to enable the preparation of financial statements in accordance with GAAP, and shall permit and shall cause each other Loan Party to permit the Administrative Agent or its representatives upon reasonable notice and from time to time during normal business hours to enter its premises and to inspect its books of accounts and operations thereof, and the Borrower shall and shall cause each other Loan Party to afford access to the Administrative Agent or its representatives at any time and from time to time upon reasonable notice and during normal business hours to inspect the Loan Parties' Property and operations and, in particular, to review documents, books, studies, reports and records relating to the Collateral and its business in relation thereto;
- (d) **Taxes:** the Borrower shall and shall cause each other Loan Party to file all income tax returns which are required to be filed, pay or make provision for payment (in accordance with GAAP) of all Taxes which are due and payable, and provide adequate reserves (in accordance with GAAP) for the payment of any Tax the payment of which is subject to a Permitted Contest, and shall provide the Administrative Agent upon request with evidence of such payment, in form and substance satisfactory to the Administrative Agent, acting reasonably, all except to the extent failure to do so would not reasonably be expected to have a Material Adverse Effect;
- (e) **Insurance:** the Borrower shall and shall cause each other Loan Party to maintain in full force and effect such policies of insurance issued by insurers of recognized standing, acceptable to the Administrative Agent, insuring such Property and operations and providing such coverages as would be maintained by Persons engaged in the same or similar business or holding the same or similar Property or operations, such insurance to be on such terms and conditions and with such deductibles as deemed acceptable by the Administrative Agent. The Borrower shall, if required, furnish the Administrative Agent with certificates or other evidence satisfactory to the Administrative Agent demonstrating compliance with the foregoing provisions and, in respect of insurance policies maintained by any of the Loan Parties, the Administrative Agent shall be added as a loss payee and as an additional insured, as its interest may appear;
- (f) **Compliance With Laws and Regulations; Maintenance of Material Agreements:** the Borrower shall and shall cause each other Loan Party to:
  - (i) comply with and manage and operate the applicable Loan Party's Property in compliance with the requirements of all Applicable Laws, rules, regulations and orders of Governmental Authorities, including, without limitation, all Environmental Laws;

- (ii) observe and conform to all valid requirements, including Governmental Actions, of any Governmental Authority relative to any applicable Loan Party's Property and all covenants, terms and conditions of all agreements upon or under which any of such Property is held;
- (iii) keep, maintain in effect and comply with all permits, approvals, licences and authorizations required in connection with its business and ensure that all registerable Intellectual Property remains so registered at the Canadian Intellectual Property Office (or any similar registry in any other jurisdiction);
- (iv) perform and observe in all respects all terms and provisions of each Material Agreement to be performed or observed by it or such other Loan Party and maintain each Material Agreement in full force and effect; and
- (v) store, treat, transport or otherwise handle and dispose of all hazardous materials and waste owned, managed or controlled by the applicable Loan Party in compliance with all Environmental Laws,

except, in each case, to the extent failure to do so would not reasonably be expected to have a Material Adverse Effect;

- (g) **Defence of Title:** if the Security Interests granted in any Loan Document or the title to or the rights of the Administrative Agent in or to any Collateral (including, without limitation, any Intellectual Property) or any part thereof shall be endangered or shall be attacked, directly or indirectly, or if any legal proceedings are instigated against any Loan Party with respect thereto, and, in each case, the same would reasonably be expected to have a Material Adverse Effect, the Borrower shall promptly give written notice thereof to the Administrative Agent and the Borrower shall and shall cause each applicable Loan Party to:
  - (i) conduct itself diligently to cure any such deficiency that is discovered or validly claimed;
  - (ii) take all necessary and proper steps for the defence of title to such Collateral and the Security Interests granted thereunder or under any Security; and
  - (iii) take such action, including employment of legal counsel, as is reasonably appropriate to the prosecution or defence of litigation with the view to the release or discharge of claim made against the title to any such Collateral;
- (h) **Notice of Certain Events:** the Borrower shall provide the Administrative Agent with prompt (and in any event no less than two (2) Business Days') written notice of:
  - (i) the occurrence of any Default or Event of Default;
  - (ii) the existence or commencement of any actions, suits, litigation or other proceedings of which the Borrower has knowledge which are commenced against or adversely which affect any Loan Party or any Loan Party's Property and which (together with all other actions, suits, litigation or other proceedings), if adversely determined, would reasonably be expected to have a Material Adverse Effect or result in aggregate liabilities for the Loan Parties in excess of \$5,000,000 (or the Equivalent Amount in any other currency);
  - (iii) any (A) default under, or any other event entitling a counterparty to terminate or suspend any, Material Agreement received or delivered by any Loan Party, (B) without limiting the

foregoing, the termination of, or the transfer by any Loan Party of its rights or obligations under, any Material Agreement, (C) the entering into any new Material Agreement by any Loan Party, and (D) amendment, variation or modification of the Subordinated Note or the Subordinated Note Settlement Agreement;

- (iv) the occurrence of any material Release or other material breach of Environmental Laws in respect of any Property of any Loan Party;
  - (v) any insurance claim in excess of \$5,000,000 (or the Equivalent Amount in any other currency);
  - (vi) the formation of any new Subsidiary of the Borrower, the entering by any Loan Party into a new joint venture or partnership arrangement with any Person or any other changes in the corporate organizational structure of the Loan Parties; and
  - (vii) any other matter, circumstance or event that has had or would reasonably be expected to have a Material Adverse Effect;
- (i) **Operational Covenants:** the Borrower shall and shall cause each applicable Loan Party to maintain all of its Property in good repair and working condition and in accordance with good industry practice and to continuously carry on, conduct, manage and operate its business in a proper and businesslike manner, in accordance with sound industry practice;
  - (j) **Environmental Compliance Orders:** the Borrower shall forthwith notify the Administrative Agent and shall and shall cause each other Loan Party to make copies available for inspection and review on a confidential basis by representatives of the Administrative Agent upon receipt of all written orders, control orders, directions, action requests, claims and complaints from a Governmental Authority relating to non-compliance with any Environmental Law which would reasonably be expected to have a Material Adverse Effect. The Borrower shall and shall cause each other Loan Party to proceed diligently to resolve (including without limitation, commence and diligently pursue proceedings for judicial or quasi-judicial determination as to the merits of any thereof) any such claims, complaints, notices or inquiries relating to compliance with any Environmental Law where the failure to resolve the same would reasonably be expected to have a Material Adverse Effect;
  - (k) **Environmental Audit:** upon the occurrence or discovery of any circumstance, condition or event which, in the opinion of the Administrative Agent, acting reasonably, would reasonably be expected to result in any Environmental Liability to any Loan Party which would reasonably be expected to have a Material Adverse Effect and, in any event, after the occurrence of an Event of Default which is continuing, the Administrative Agent may, at the expense of the Borrower, arrange for an environmental audit to be conducted by an independent environmental engineer or other environmental consultant (such engineer or consultant to be chosen in consultation with the Borrower prior to the occurrence of an Event of Default which is continuing, provided however that the ultimate decision is to be that of the Administrative Agent), such audit to be carried out, prior to the occurrence of an Event of Default which is continuing, in consultation with the Borrower to expedite the completion in a cost-effective manner. The Borrower shall and shall cause each other Loan Party to, upon reasonable notice, and so long as any such engineer or consultant agrees to comply with the health and safety standards generally applicable to the Property to be audited, provide access to its Property in order for such engineer or consultant to conduct such environmental and other inspections as it deems advisable and in that connection to examine the books, records, assets, affairs and business operations of the Loan Parties and to make

inquiries of government offices concerning compliance by the Loan Parties with Environmental Laws;

(l) **Environmental Indemnity:**

- (i) the Borrower shall and shall cause each other Loan Party to forthwith on demand fully indemnify, defend and save each Secured Party and each of their respective directors, officers, employees and agents, and any of them (in this Section 9.1(l) any one or more or all of such Persons is referred to as the "**Indemnified Party**"), harmless from and against any and all liabilities, losses, claims, damages and expenses (including all reasonable fees of counsel on a solicitor and his own client basis and accountant fees and reasonable expenses, court costs and all other reasonable out-of-pocket expenses) sustained, paid, incurred or suffered by the Indemnified Party arising in any manner whatsoever out of or as a result of any environmental claims, liabilities or obligations of any and every nature whatsoever relating to or affecting any Loan Party or the Collateral, or the Property of others where any Loan Party would be reasonably likely to have any liability in respect thereof under Applicable Law (all or any item or part of the foregoing liabilities, losses, claims, damages and expenses are referred to in this Section 9.1(l) as "**Loss**"). Notwithstanding the generality of the foregoing, the Loan Parties shall not be obliged to indemnify the Indemnified Party to the extent any Loss has been incurred by reason of the gross negligence or wilful misconduct (whether in respect of acts or omissions) of such Indemnified Party. The Borrower acknowledges on behalf of itself and each Loan Party that each Lender is entering into the provisions of this Section 9.1(l) on its own behalf and as agent and trustee for its directors, officers, employees and agents;
- (ii) if any claim (in this Section 9.1(l) referred to as a "**Claim**") shall be asserted by any Person against the Indemnified Party which may give rise to a Loss, the Indemnified Party shall promptly notify the Borrower of all particulars of such Claim upon learning of same. The failure to give any such notice, however, shall not affect any Loan Party's liability to indemnify the Indemnified Party unless such failure adversely and materially affects its ability to defend, object to, oppose or contest that Claim;
- (iii) (A) each Loan Party shall at all times have the right, if no Default, Event of Default or Borrowing Base Shortfall has occurred and is continuing, but shall not be required, at its sole expense, to resist, defend and compromise any Claim in the name of the Indemnified Party, by legal counsel reasonably acceptable to the Indemnified Party who will cooperate in such defence on a reasonable basis; provided that the Indemnified Party shall have the right to participate in the defence or compromise of any Claim by other legal counsel of its choosing if the Indemnified Party, acting reasonably, determines it should so participate; provided that subject to Section 9.1(l)(iii)(B) the fees and disbursements of such other counsel shall be paid by the Borrower. The Indemnified Party shall not effect any settlement or compromise of any Claim without the prior written consent of the Borrower. Notwithstanding anything herein to the contrary, the Borrower on its own behalf must defend or must cause the applicable Loan Party to defend such claim, diligently and reasonably throughout the period while such Claim exists. If any Loan Party exercises its rights under this Section 9.1(l), the Borrower shall cause such Loan Party not to compromise or otherwise settle a Claim without the consent of the Indemnified Party suffering such Claim, which consent shall not be unreasonably withheld or delayed. The inability of the Loan Parties to pay such Claim in full shall constitute a sufficient reason to withhold such consent; and

- (B) the Loan Parties shall not, in connection with any Loss in the same jurisdiction, be liable for the fees and expenses of more than one separate legal firm for the Indemnified Parties unless such representation by the same legal counsel would be inappropriate due to actual or potential differing interests or the employment thereof has been specifically authorized by the Borrower in writing and such firm or firms shall be designated in writing by the Administrative Agent on behalf of each Indemnified Party;
- (m) **Use of Facilities:** the Borrower shall, and shall cause each other Loan Party to, ensure that the proceeds of each of the Facilities are used by Loan Parties only and exclusively for the purposes described in Section 3.5;
- (n) **Bank Accounts:** the Borrower shall, and shall cause each other Loan Party to maintain all of its cash receipts and term deposits and deposit all of its cheques and other payments (including all proceeds of Dispositions of any Collateral, insurance or reinsurance) into an account with the Administrative Agent or a Lender;
- (o) **Properties and Material Subsidiary Guarantees:** the Borrower shall: (i) ensure that (A) the aggregate combined assets of the Loan Parties (determined on an unconsolidated basis) shall not at any time be less than ninety-five percent (95%) of the consolidated assets of the Borrower as at the end of each Fiscal Quarter and (B) the aggregate combined EBITDA attributable to the Loan Parties (determined on an unconsolidated basis) shall not at any time account for less than ninety-five percent (95%) of the consolidated EBITDA of the Borrower as at the immediately preceding twelve (12) month period, but calculated as at the end of each Fiscal Quarter, in each case, as set forth in the most recent financial statements provided by the Borrower to the Administrative Agent, and (ii) unless otherwise agreed to by the Administrative Agent in writing, ensure that each Material Subsidiary is at all times party to the Loan Party Guarantee (or has granted a similar unlimited Guarantee in respect of the Secured Obligations of the other Loan Parties in form and substance satisfactory to the Administrative Agent) and that each Material Subsidiary has provided the other Security required by Article 6;
- (p) **Pension Plans:** each Loan Party shall pay or cause to be paid all material obligations required to be paid in connection with each Pension Plan or collective bargaining agreement to which it is a party in a timely fashion;
- (q) **Mandatory Lender Swaps:** no later than November 13, 2024, the Borrower shall deliver evidence satisfactory to the Administrative Agent that the Borrower has entered into Interest Swaps with Swap Lenders in a net notional amount which, taken together with the notional amounts of all other Interest Swaps then in effect entered into by the Loan Parties, is equal to no less than 50% of the aggregate amount all Term Borrowings as at the Effective Date and, subject to Sections 3.17(d) and 4.5, the Borrower shall maintain or replace all such Interest Swaps in each case, for a term up to and including the Maturity Date;
- (r) **Additional Information:** the Borrower shall, and shall cause each other Loan Party to, promptly furnish to the Administrative Agent, upon the reasonable request of the Administrative Agent or any Lender:
- (i) further details pertaining to: (A) all outstanding Swaps entered into by any Loan Party, (B) environmental information, including compliance with all Environmental Laws, (C) the location of all owned and leased real property of any Loan Party, and (D) any surety or bonding agreements entered into by any Loan Party; and

- (ii) any additional information regarding the Loan Parties' Property, business, affairs, operations and financial condition as the Administrative Agent shall reasonably request or which the Borrower deems material to the Lenders' continuing due diligence and the Borrower shall, at all times, ensure the accuracy of all information provided to the Administrative Agent or any Lender in all material respects;
- (s) **Anti-Money Laundering/Anti-Terrorist Financing Laws; Sanctions; Anti-Corruption Laws Representations Continue to be True:** the Borrower shall, and shall cause its Subsidiaries to, conduct its business operations such that, and have policies and procedures in place which are designed to ensure that, the representations and warranties in Section 2.1(bb) are true and correct at all times that this Agreement is in effect (and not just at, and as of, the times such representations and warranties are made or deemed to be made);
- (t) **Further Assurances:** the Borrower shall do and shall cause each other Loan Party to do all such further acts and things and execute and deliver all such further documents as shall be reasonably required by the Administrative Agent in order to ensure the terms and provisions of the Loan Documents are fully performed and carried out;

#### Reporting Requirements

- (u) **Annual Audited Financial Statements, etc.:** the Borrower shall furnish the following to the Administrative Agent as soon as available and in any event within 120 days after the end of each Fiscal Year:
  - (i) financial statements (including, without limitation, a balance sheet and statements of income and changes in financial position) in respect of the Borrower on a consolidated and audited basis as at the close of such Fiscal Year, setting forth in comparative form the corresponding figures of the preceding Fiscal Year, together with an auditor's report prepared by a qualified firm of accountants confirming that its examinations of such financial statements were made in accordance with generally accepted auditing standards and, accordingly, included such tests and other procedures as it considered necessary in the circumstances and that such financial statements present fairly in all material respects the financial position of the Borrower on a consolidated basis, as of the close of such Fiscal Year and the results of its operations and the changes in its financial position for the Fiscal Year then ended, in accordance with GAAP (except as otherwise noted therein and consented to by the Majority Lenders);
  - (ii) an internally-prepared management discussion and analysis report for such Fiscal Year, in form and substance satisfactory to the Administrative Agent and the Lenders, including variance to budget and historical performance;
  - (iii) a report on the status of all outstanding Swaps of the Loan Parties detailing all hedging activity occurring during the last ended Fiscal Quarter and the position and market value of all Swaps in effect as of the end of such Fiscal Year, and demonstrating compliance with all hedging limitations hereunder, including, without limitation, those set out in Section 9.2(l);
  - (iv) with respect to the Fiscal Year ending December 31, 2024 only, an updated forecast setting out budgeted Unfunded Capital Expenditures and Financing Obligations for the Fiscal Quarters ending March 31, 2025 and June 30, 2025, detailed on the basis of each Fiscal Quarter;

- (v) a financial budget, in respect of the Borrower, on a consolidated basis, approved by its board of directors, for the period up to and including the Maturity Date: (A) including an income statement, balance sheet, cash flow statement, and budget of Capital Expenditures, and (B) setting forth a projected calculation of each of the financial covenants set forth in Section 9.3 for such period, detailed on the basis of each Fiscal Quarter;
  - (vi) an updated Schedule "H" and an updated Schedule "I" or, in either case, a confirmation that the details set forth therein remain unchanged; and
  - (vii) an updated asset appraisal in respect of the Borrower's Equipment prepared by an independent third-party appraiser, along with a detailed itemized list of all Equipment contained therein and denoting whether such Equipment comprises: (A) First Fixed Charge Equipment, or (B) Equipment subject to a Permitted Encumbrance in favour of a third party lender or lessor as more particularly described in paragraphs (l), (m), (n) and (q) of the "Permitted Encumbrances" definition (and, in such case, expressly denoting by which type of Permitted Encumbrance such Equipment is encumbered);
- (v) **Quarterly Financial Statements/MD&A:** the Borrower shall furnish to the Administrative Agent as soon as available and in any event within 60 days after the end of each of its first three (3) Fiscal Quarters:
- (i) quarterly unaudited financial statements (including, without limitation, a balance sheet and statement of income and changes in financial position) in respect of the Borrower as at the end of such Fiscal Quarter, prepared in accordance with GAAP on a consolidated, internally-prepared, basis and reconciled by management;
  - (ii) an internally-prepared management discussion and analysis report for such Fiscal Quarter, in form and substance satisfactory to the Administrative Agent and the Lenders, including variance to budget and historical performance;
  - (iii) with respect to the Fiscal Quarter ending June 30, 2024 only, an updated forecast setting out budgeted Unfunded Capital Expenditures and Financing Obligations for the immediately following twelve (12) month period, detailed on the basis of each Fiscal Quarter;
  - (iv) with respect to the Fiscal Quarter ending September 30, 2024 only, an updated forecast setting out budgeted Unfunded Capital Expenditures and Financing Obligations for the Fiscal Quarters ending December 31, 2024, March 31, 2025 and June 30, 2025, detailed on the basis of each Fiscal Quarter; and
  - (v) with respect to the Fiscal Quarter ending March 31, 2025 only, an updated forecast setting out budgeted Unfunded Capital Expenditures and Financing Obligations for the Fiscal Quarter ending June 30, 2025;
- (w) **Monthly Reporting:** the Borrower shall furnish to the Administrative Agent within 30 days of the end of each month, and effective as of the last day of the prior month, a duly executed and completed Borrowing Base Certificate together with the reports referred to therein and which shall include, without limitation:
- (i) an aged listing of all Accounts Receivable for all the Loan Parties, including all Eligible Accounts Receivable and Eligible Investment Grade Accounts Receivable;



- (ii) an aged listing of all accounts payable of the Loan Parties;
- (iii) a statement of the net book value of all Inventory (including all Eligible Inventory); and
- (iv) a listing of all amounts which comprise Priority Payables of the Loan Parties; and
- (x) **Compliance Certificate:** the Borrower shall furnish to the Administrative Agent a duly executed and completed Compliance Certificate concurrently with the provision of each of the financial statements or reports referred to in Sections 9.1(u) and 9.1(v), such Compliance Certificate to be effective as of the last day of the Fiscal Year or Fiscal Quarter, as applicable.
- (y) **First Fixed Charge Equipment Security Registrations:** no later than September 13, 2024, the Borrower shall deliver, or shall cause to be delivered, evidence of that all required registrations of the Security have been completed in Alberta and British Columbia to create a perfected first ranking specific fixed charge over all First Fixed Charge Equipment owned by such Loan Party as at the Effective Date.

## 9.2 Negative Covenants of the Borrower

During the term of this Agreement, the Borrower covenants and agrees with each of the Lenders and the Administrative Agent that it shall not, and shall ensure that each other Loan Party shall not, without the prior written consent of the Administrative Agent on behalf of the Majority Lenders:

- (a) **Conduct of Business:** engage in any business or make any material investments or enter into any material ventures other than the business of the Loan Parties as conducted on the Effective Date and other activities directly related to the foregoing, nor make or enter into any acquisitions, investments, joint ventures or partnerships which are not in the ordinary course of, and made for the purpose of, conducting the business of the Loan Parties as described aforesaid;
- (b) **Incur Debt:** issue, create, incur, assume, permit or suffer to exist or directly or indirectly be or become in any way liable for or in respect of any Debt, other than Permitted Indebtedness;
- (c) **Financial Assistance:** provide any form of Financial Assistance to any Person other than Permitted Financial Assistance;
- (d) **Distributions:** declare, make, give effect to or implement any steps or procedures to make any Distributions, or otherwise reduce the Borrower's equity, other than pursuant to a Permitted Distribution;
- (e) **Prohibited Disposition:** Dispose of any or all of its right, title, estate and interest in or to all or any part of its Property, other than Permitted Dispositions;
- (f) **Acquisitions:** make, or enter into any binding agreement to make, any acquisition of Property (including, without limitation, Equity Interests), other than Permitted Acquisitions;
- (g) **Negative Pledge:** grant, create, incur, assume, permit or suffer to exist any Security Interest upon or with respect to any of its present or further Property other than Permitted Encumbrances;
- (h) **Transactions with Affiliates:** enter into directly or indirectly any transaction or group of related transactions (including the purchase, lease, sale or exchange of Property of any kind or the rendering of any service) with any Affiliate (other than another Loan Party), except: (i) in the

ordinary course and pursuant to the reasonable requirements of the business of the Loan Parties and upon fair and reasonable terms no less favourable to it than would be obtainable in a comparable arm's-length transaction with a Person not an Affiliate, or (ii) as it may relate to a compulsory acquisition under Section 195 of the *Business Corporations Act* (Alberta);

- (i) **Change of Fiscal Year:** change the fiscal year end of the Borrower from December 31 or the basis on which the financial records of a Loan Party are now maintained, subject to Section 1.5, unless 30 Business Days' prior written notice has been provided to the Administrative Agent;
- (j) **Corporate Reorganizations:** enter into or become party to any transaction (each a "**Corporate Transaction**") of merger, amalgamation, consolidation, winding-up, plan of arrangement (including any arrangement or proceeding under the *Canada Business Corporations Act* or the *Business Corporations Act* (Alberta) or any analogous statutes, as applicable), reorganization or reconstruction with any Person or enter into any transaction by way of transfer, liquidation, sale, lease, disposition or otherwise whereby all or substantially all of its undertaking, property or assets would become the property of any other Person (herein called a "**Successor**"), or take any corporate, partnership or trust action in pursuance of any of the foregoing; provided that any Loan Party may do so if such Corporate Transaction is conducted solely with another Loan Party or between Loan Parties and:
  - (i) the Successor will be the Borrower or another Loan Party hereunder and an entity constituted under the laws of Canada or a Province or Territory thereof, with operations in Canada, unless the Successor is not a borrower hereunder, in which case, the Successor shall be constituted under the laws of Canada (or a Province or Territory thereof), with operations in Canada;
  - (ii) the Corporate Transaction would not reasonably be expected to result in a Material Adverse Effect;
  - (iii) in the case of a Corporate Transaction by a Material Subsidiary, the Successor will satisfy the requirements of Article 6 and will be designated as a Material Subsidiary;
  - (iv) such Corporate Transaction shall be on such terms and shall be carried out in such manner as to preserve and not to impair any of the rights and powers of the Administrative Agent or any Lender hereunder and under any other Loan Documents and not to affect adversely the potential liability of the Administrative Agent or any Lender for any present or future taxes, duties, assessments or charges of whatsoever nature imposed or levied by or on behalf of any Governmental Authority or any authority or agency therein or thereof having power to impose or levy taxes, duties, assessments or charges; and
  - (v) no Event of Default or Default shall have occurred and be continuing immediately prior to such Corporate Transaction or will occur as a result of such Corporate Transaction;
- (k) **Payments on Subordinated Debt:** other than pursuant to a Permitted Distribution, make, give effect to or implement any steps or procedures to make any payment of principal, interest, fees or other amounts owing in respect of any Permitted Subordinated Debt or any other Debt that is subordinate or ranks junior to the amounts secured by the Security;
- (l) **Swaps:**

- (i) enter into any Swap with a Person other than a Swap Lender nor enter into any Swap outside the ordinary course of its business or for speculative purposes (determined, where relevant, by reference to GAAP); provided that, without limiting the generality of the foregoing, the following shall be considered to be Swaps entered into outside of the ordinary course of business or entered into for speculative purposes:
- (A) any Interest Swap if the notional amount of indebtedness under such Interest Swap together with the notional amount of all other Interest Swaps then in effect in respect of the Loan Parties exceeds the underlying exposure to the risk hedged or sought to be hedged by such Interest Swap at the time such Interest Swap is entered into;
  - (B) any Currency Swap if the aggregate amount hedged under all Currency Swaps at the time any such Currency Swap is entered into exceeds the Loan Parties' U.S. Dollar underlying exposure, whether direct or indirect, to the risk hedged or sought to be hedged by such Currency Swap at the time such Currency Swap is entered into;
  - (C) any Commodity Swap;
  - (D) any Interest Swap (other than, for greater certainty, the Interest Swaps referenced in Section 9.1(q)) or Currency Swap having a term from its inception to maturity exceeding three (3) years; and
  - (E) any Swap in respect of which a Security Interest is granted, except for the Security Interests granted under the Security in favour of the Administrative Agent, on behalf of the Secured Parties,
- any and all Interest Swaps contemplated by Section 9.1(q) shall be deemed not to be entered into outside the ordinary course of business or for speculative purposes; and
- (ii) notwithstanding the foregoing or any other provision of the Loan Documents to the contrary and in addition thereto, the Borrower may not request, and the Lenders will have no obligation to make, an advance in one currency for the purpose of converting the proceeds thereof into another currency and for certainty, the Loan Parties may not enter into Swaps for the purpose of arbitrage of interest rates between currencies.
- (m) **Partnerships:** (i) add any Person as a partner in a Loan Party which is a partnership (of which all of the then existing partners are Loan Parties) if such Person is not a Loan Party, (ii) transfer any Voting Shares, units or other Equity Interests in any Material Subsidiary which is a partnership (of which all of the then existing partners are Loan Parties) if the transferee is not a Loan Party, or (iii) make any changes, amendments or supplements to the partnership agreement relating to any Loan Party which would reasonably be expected to adversely affect the Lenders;
- (n) **Material Agreements & Subordinated Note:**
- (i) (A) amend, vary or alter any Material Agreement unless, in each case, (I) the same is solely administrative or in the ordinary course of business, or (II), in the opinion of the Administrative Agent, such amendment, variation or alteration would not have, or would not reasonably be expected to have, a Material Adverse Effect, (B) terminate, surrender or consent to any assignment or transfer of its rights or entitlements under any Material

Agreement, or (C) enter into any new Material Agreement other than in the ordinary course of business; or

- (ii) amend, vary or alter the Subordinated Note or the Subordinated Note Settlement Agreement, other than amendments, supplements or modifications that are purely administrative in nature and which, in the opinion of the Administrative Agent, would not have, or would not reasonably be expected to have, a Material Adverse Effect;
- (o) **Cash-Hoarding:** at any time while there are Operating Borrowings, accumulate or maintain cash or cash equivalents (including without limitation using the proceeds of any Accommodation) in one or more accounts maintained by the Loan Parties in an amount, in the aggregate, greater than \$5,000,000 (or the Equivalent Amount in any other currency) but excluding therefrom any amounts otherwise accumulated or maintained therein for a specified business purpose (other than simply accumulating a cash reserve), and the Borrower hereby authorizes the Lenders to refuse to make any requested Accommodation which the Lenders, in their discretion, determine would contravene the foregoing; and
- (p) **Cryptocurrency Assets:** acquire or at any time directly or indirectly own, lease, operate or otherwise conduct any business relating to cryptocurrency, mining, datacentres or related assets and facilities.

### 9.3 Financial Covenants

During the term of this Agreement, the Borrower covenants and agrees with each of the Lenders and the Administrative Agent that it shall not, without the prior written consent of the Administrative Agent on behalf of each of the Lenders, permit, at any time:

- (a) **Senior Net Debt to EBITDA Ratio:** the Senior Net Debt to EBITDA Ratio to be greater than:
  - (i) 3.50 to 1.00, tested as at the Effective Date and as at the end of any Fiscal Quarter thereafter up to and including the Fiscal Quarter ending December 31, 2024;
  - (ii) 3.25 to 1.00, tested as at the end of the Fiscal Quarter ending March 31, 2025;
  - (iii) 3.00 to 1.00, tested as at the end of each of the Fiscal Quarters ending June 30, 2025, September 30, 2025, December 31, 2025 and March 31, 2026;
  - (iv) 2.75 to 1.00, tested as at the end of the Fiscal Quarter ending June 30, 2026; and
  - (v) 2.50 to 1.00, tested as at the end of the Fiscal Quarter ending September 30, 2026 and as at the end of each Fiscal Quarter thereafter; or
- (b) **Fixed Charge Coverage Ratio:** the Interest Coverage Ratio to be less than:
  - (i) 1.00 to 1.00, tested as at the Effective Date and as at the end of each Fiscal Quarter thereafter up to and including the Fiscal Quarter ending September 30, 2024;
  - (ii) 1.10 to 1.00, tested as at the end of the Fiscal Quarter ending December 31, 2024;
  - (iii) 1.15 to 1.00, tested as at the end of the Fiscal Quarter ending March 31, 2025; and

- (iv) 1.25 to 1.00, tested as at the end of the Fiscal Quarter ending June 30, 2025 and as at the end of each Fiscal Quarter thereafter.

#### 9.4 Material Subsidiaries

- (a) **Designation of Material Subsidiaries:** The Borrower shall, from time to time, designate such Material Subsidiaries as it shall determine as Material Subsidiaries and shall notify the Administrative Agent that such Person has become a Material Subsidiary and furnish the Administrative Agent with the name, date and jurisdiction of incorporation or amalgamation, as applicable, description of business and principal place of business address of each Material Subsidiary and shall cause each Material Subsidiary to provide to the Administrative Agent for the benefit of the Lenders, upon it becoming a Material Subsidiary, the Security contemplated by Section 6.3 together with the additional documentation contemplated in such Section 6.3 in relation thereto.
- (b) **Release of Material Subsidiary Security:** The Borrower shall be entitled to request that a Material Subsidiary which is, or has been designated, a Material Subsidiary no longer be designated as a Material Subsidiary. Upon providing an officer's certificate of the Borrower confirming that no Default, Event of Default or Borrowing Base Shortfall has occurred and is continuing (excluding, for certainty, any Default, Event of Default or Borrowing Base Shortfall which would no longer exist as a result of such re-designation) and no Default, Event of Default or Borrowing Base Shortfall would result from giving effect to such request and the Administrative Agent determining that no Default, Event of Default or Borrowing Base Shortfall would result from giving effect to such request, the Administrative Agent shall confirm in writing that such Material Subsidiary shall no longer be designated as a Material Subsidiary and shall cancel, release and, if applicable, return the Security granted by such Subsidiary.

### ARTICLE 10 EVENTS OF DEFAULT

#### 10.1 Events of Default

The occurrence of any one or more of the following events or circumstances constitutes an Event of Default under this Agreement:

- (a) **Failure to Pay Principal:** the failure of the Borrower to make any payment of any Borrowings when due hereunder and such default shall remain unremedied for a period of two (2) Business Days after written notice from the Administrative Agent to the Borrower that such amount is overdue;
- (b) **Failure to Pay Interest or Fees:** the failure of any Loan Party to make any payment of any interest, fees or any other amount (other than the Borrowings) due under any Loan Document when due hereunder and such default shall remain unremedied for a period of two (2) Business Days after written notice from the Administrative Agent to the Borrower that such amount is overdue;
- (c) **Breach of Certain Covenants:** if there is a breach or failure of due performance or observance by any Loan Party of any covenant or provision set forth in any of Sections 9.1(m), 9.1(n), Section 9.1(q), 9.2 or 9.3;
- (d) **Breach of Other Covenants:** if there is a breach or failure of due performance or observance by any Loan Party of any covenant or provision of this Agreement or any of the Loan Documents

(other than those otherwise dealt with in this Section 10.1), unless such breach or failure is cured (to the extent capable of cure) to the satisfaction of the Majority Lenders, acting reasonably, within twenty (20) Business Days after written notice thereof by the Administrative Agent to the Borrower;

- (e) **Misrepresentations:** if any representation or warranty made or deemed to be made by the Borrower or any other Loan Party in any Loan Document, certificate or document shall prove to have been incorrect in any material respect when made or deemed to be made or repeated hereunder or thereunder; provided that if the matter, defect or deficiency which is the subject matter of the misrepresentation is capable of correction or remedy (and not merely by changing the representation made), then if it is not corrected or remedied to the satisfaction of the Majority Lenders, acting reasonably, within twenty (20) Business Days after written notice thereof by the Administrative Agent to the Borrower;
- (f) **Cross Default:** if any Loan Party or the Person primarily liable or jointly and/or severally liable, in the case of any contingent or joint and/or several obligation of any Loan Party, is in default under any term or provision of:
  - (i) any agreement evidencing or securing Debt between itself and any Person (other than this Agreement), and such breach or default is in respect of an amount which (taken together with any other such breaches or defaults in respect of Debt and taken together with any accelerated amounts in respect of Debt and taken together with the aggregate amounts which are the subject of any breaches or defaults provided for in Section 10.1(q)) is in the aggregate in excess of \$5,000,000 (or the Equivalent Amount in any other currency); or
  - (ii) any liabilities, indebtedness or obligations under any documents granted or entered into by such Loan Party in connection with the Permitted Factoring Facility for amounts in aggregate in excess of \$5,000,000 (or the Equivalent Amount in any other currency);

and, in either case, such breach or default is not remedied within any applicable cure period in the relevant agreement with respect thereto;

- (g) **Cease to Carry on Business:** if any Loan Party ceases or threatens to cease to carry on business except as permitted by Section 9.2(j);
- (h) **Voluntary Insolvency:** if any Loan Party shall:
  - (i) apply for or consent to the appointment of a receiver, trustee or liquidator of itself or of all or substantially all of its assets or undertaking;
  - (ii) make or threaten to make a general assignment for the benefit of creditors or make or threaten to make a bulk sale of its assets; or be unable, or admit in writing its inability or failure, to pay its debts generally as they become due;
  - (iii) commence any case, proceeding or other action under any Debtor Relief Laws seeking to have an order for relief entered with respect to it, or seeking to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts or an arrangement with creditors or taking advantage of any Debtor Relief Law or proceeding for the relief of debtors, or file an answer admitting the material allegations of a petition filed against it in any bankruptcy, reorganization or insolvency proceeding;

- (iv) take corporate or partnership action for the purpose of effecting any of the foregoing; or
  - (v) commit or threaten to commit an act which, if committed by a corporation, would constitute bankruptcy under the *Bankruptcy and Insolvency Act* (Canada) or any statute passed in substitution therefor, as amended from time to time;
- (i) **Involuntary Insolvency:** if any case, proceeding or other action shall be instituted in any court of competent jurisdiction against any Loan Party seeking in respect of it an adjudication in bankruptcy, reorganization, dissolution, winding-up, liquidation, a composition or arrangement with creditors, a readjustment of debts, the appointment of a trustee, receiver, liquidator or the like of such Loan Party or of all or substantially all of its assets, or any other like relief in respect of such Loan Party under any Debtor Relief Law and, if such case, proceeding or other action is being contested by the Borrower in good faith, the same shall continue undismissed or unstayed and in effect for any period of 30 consecutive days (or such longer period, not exceeding 60 days, as is required to dismiss or stay or render ineffective such case, proceeding or other action); provided that if an order, decree or judgment is granted (whether or not entered or subject to appeal) against a Loan Party thereunder or a trustee, receiver or liquidator is appointed in the interim, such grace period shall immediately cease to apply;
- (j) **Disposition of Property:** if any Loan Party shall pass an effective resolution or initiate steps or proceedings for the purpose of authorizing the Disposition of all or substantially all of its Property (except for a Disposition in accordance with and as permitted by Sections 9.2(e) or 9.2(j));
- (k) **Change of Control:** if, at any time, a Change of Control occurs;
- (l) **Judgments:** if a final judgment or judgments for the payment of money shall be rendered against any Loan Party in an amount in excess of \$5,000,000 (or the Equivalent Amount in any other currency) and the same shall remain undischarged for a period of twenty (20) Business Days during which such judgment or judgments shall not be on appeal or execution thereof shall not be effectively stayed;
- (m) **Writs:** if writs, executions, attachments or similar processes are issued or levied against any of the Property of any Loan Party in an aggregate amount which is in excess of \$5,000,000 (or the Equivalent Amount in any other currency) and such writ, execution, attachment or similar process remains undischarged or unreleased for a period of twenty (20) Business Days;
- (n) **Encumbrancers:** if encumbrancers or lienors lawfully take possession of any Property of any Loan Party having a value in an aggregate amount which is in excess of \$5,000,000 (or the Equivalent Amount in any other currency) and such possession continues for a period of twenty (20) Business Days;
- (o) **Borrowing Base Shortfall:** if the Borrower fails to eliminate a Borrowing Base Shortfall as required by Section 3.7(c);
- (p) **Invalid Loan Documents:** if any material provision of any Loan Document continues to be invalid or unenforceable in whole or in part, or any of the Security Interests in and to any Collateral constituted by the Security fails to attach thereto or to have the priority intended thereby;
- (q) **Swaps:** if a Termination Event shall occur under a Swap (including a Lender Swap) or if any Loan Party breaches or is in default under any Swap (including a Lender Swap) and such breach or default is not remedied or waived within three (3) days;

- (r) **Qualified Auditor Report:** if the audited financial statements that are required to be delivered to the Administrative Agent pursuant to Section 9.1(u) contain a going concern note or a material qualification that is not acceptable to the Majority Lenders, acting reasonably, and, if unacceptable, such qualification is not rectified or otherwise dealt with to the satisfaction of the Majority Lenders within a period of twenty (20) Business Days after the delivery of such financial statements; or
- (s) **Material Adverse Effect:** if an event shall occur which, in the opinion of all the Lenders, would reasonably be expected to have a Material Adverse Effect and, if capable of remedy, such event shall not be remedied within a period of twenty (20) Business Days from the date of written notice by the Administrative Agent to the Borrower of such event.

## 10.2 Acceleration

Upon the occurrence of any Event of Default which has not been remedied or waived, the Administrative Agent on behalf of the Lenders, and with the approval of the Majority Lenders shall be entitled to, without limiting or restricting other remedies or rights under contract, at law or in equity, as the Administrative Agent and the Majority Lenders may in their sole and unfettered discretion determine:

- (a) **Terminate Commitment:** cease to make any Accommodations or to continue any Borrowings hereunder, notwithstanding any prior receipt by the Administrative Agent of a Borrowing Notice, Conversion Notice or a Rollover Notice or any other event and the Administrative Agent may, by written notice to the Borrower, declare the Total Commitment, the Fronted LC Commitment, the Swing Line Commitment and the right of the Borrower to apply for further Accommodations to be terminated; and
- (b) **Acceleration Notice:** by written notice to the Borrower (an "**Acceleration Notice**"), declare all Borrowings (including the undrawn amount of all outstanding Letters of Credit) and other liabilities and indebtedness (whether matured or unmatured) of the Borrower to the Administrative Agent, the Lenders and the Creditcard Lenders hereunder and under the other Loan Documents and the Bilateral Financial Services Agreements to be immediately due and payable (or to be due and payable at such later time as may be stated in such notice) without further demand, presentation, protest or other notice of any kind, all of which are expressly waived by the Borrower;

provided that upon the occurrence of an Event of Default specified in Section 10.1(h) or 10.1(i) the Total Commitment, each Lender's Commitment, the Fronted LC Commitment, the Swing Line Commitment and the right of the Borrower to apply for further Accommodations shall automatically terminate and all Borrowings (including the undrawn amount of all outstanding Letters of Credit) and other indebtedness and liabilities hereunder and under the other Loan Documents and all Creditcard Obligations under the Bilateral Financial Services Agreements shall automatically become due and payable, in each case without any requirement that notice be given to the Borrower. Immediately upon the occurrence of an Event of Default specified in Section 10.1(h) or 10.1(i) or at the time stated in an Acceleration Notice, the Borrower shall pay to the Administrative Agent on behalf of the Secured Parties all amounts owing or payable in respect of all Borrowings (including the undrawn amount of all outstanding Letters of Credit) and other indebtedness and liabilities hereunder and under the other Loan Documents and all Creditcard Obligations under the Bilateral Financial Services Agreements, failing which all rights and remedies of the Administrative Agent and the Lenders under the Loan Documents and all rights and remedies of the Creditcard Lenders under the Bilateral Financial Services Agreements shall thereupon become enforceable.



### 10.3 Demands for Payment

- (a) **Lender Demands:** If the Administrative Agent, on behalf of the Majority Lenders, delivers an Acceleration Notice, each Swap Lender may, within three Business Days, deliver (to the extent applicable to it) a Swap Demand for Payment.
- (b) **Termination Event:** If a Termination Event has occurred and all amounts secured by the Security are not thereafter due and payable, each Lender, each Swap Lender, each Cash Management Lender and each Creditcard Lender shall, within three Business Days, deliver such Demands for Payment or other notices as may be necessary to ensure that all amounts secured by the Security are thereafter due and payable under the Credit Documents.
- (c) **Swap Demand:** If any Swap Lender proposes to deliver a Swap Demand for Payment, such Lender shall notify the Administrative Agent of its determination, and the Administrative Agent, within a further five Business Days after receipt of the aforesaid notice, shall notify all Swap Lenders whether the Administrative Agent, on behalf of the Majority Lenders, proposes to deliver an Acceleration Notice hereunder. If the Administrative Agent does not so advise the Swap Lenders within such five Business Day period it shall be deemed to have advised that the Majority Lenders do not propose to deliver an Acceleration Notice. If the Administrative Agent does notify the Swap Lenders that the Majority Lenders propose to deliver an Acceleration Notice, all Demands for Payment and other notices shall be delivered concurrently by the Administrative Agent, the Swap Lenders, the Cash Management Lenders and the Creditcard Lenders. If the Administrative Agent does notify the Swap Lenders that the Majority Lenders do not propose, or the Administrative Agent is deemed to have advised that the Majority Lenders do not propose, to deliver an Acceleration Notice, the Swap Lender which delivered the notice to the Administrative Agent may at any time within 30 Business Days thereafter deliver the Swap Demand for Payment. If the Swap Lender delivering any such Swap Demand for Payment does not receive the amount so demanded on or prior to the time stated in such Swap Demand for Payment, such Swap Lender shall so notify the Administrative Agent and the Administrative Agent and each other Lender, Swap Lender, Cash Management Lender and Creditcard Lender shall forthwith concurrently deliver such Demands for Payment or other notices as may be necessary to ensure that all amounts secured by the Security are thereafter due and payable under the Credit Documents.
- (d) **No Sharing:** Any amounts which are lawfully received by any Swap Lender under a Swap or by a Cash Management Lender or Creditcard Lender under a Bilateral Financial Services Agreement prior to the earlier of the delivery by the Administrative Agent of a Demand for Payment or the occurrence of a Termination Event hereunder are not required to be shared pursuant to the provisions of Section 10.7.
- (e) **Lender Affiliates:** If a Lender Swap or any Bilateral Financial Services Agreement is entered into with an Affiliate of a Lender, that Lender shall cause such Affiliate to deliver all Swap Demands for Payment or other notices as required by this Section 10.3 and such obligations shall survive such Lender (at any time after any such Lender Swap or Bilateral Financial Services Agreement was entered into) ceasing to be a Lender hereunder.

### 10.4 Borrower Cash Collateral Accounts

Upon the occurrence of:

- (a) a Termination Event or delivery of an Acceleration Notice; or

- (b) an event where the Borrower elects or is required in accordance with Section 4.4 or Section 4.6 to make payment to a Borrower Cash Collateral Account of the required amount;

the Borrower shall forthwith pay to the Administrative Agent, for deposit into a Borrower Cash Collateral Account, an amount equal to the Lender's maximum potential liability under then outstanding Letters of Credit and (unless the Borrower makes payment of the amount required pursuant to Section 11.6) CORRA Loans or SOFR Loans (collectively, the "**Escrow Funds**"). The Escrow Funds shall, in the case of (a) above, be held by the Administrative Agent for set-off against future indebtedness owing by the Borrower to the Lenders in respect of such Letters of Credit and (unless the Borrower makes payment of the amount required pursuant to Section 11.6), CORRA Loans or SOFR Loans, or, in the case of (b) above, be applied as required by Section 4.4 or Section 4.6, as applicable.

## 10.5 Remedies on Default

After the occurrence and during the continuance of an Event of Default:

- (a) **Majority Lenders Instructions:** if the Majority Lenders do provide directions or instructions to the Administrative Agent, the Administrative Agent, on behalf of all Lenders, Swap Lenders, Cash Management Lenders and Creditcard Lenders shall take such actions and commence such proceedings as the Majority Lenders in their sole discretion may determine and may enforce or otherwise realize upon any Security, all without any obligation to marshal any Security Interests and without additional notice, presentation, demand or protest, all of which the Borrower hereby expressly waives (to the extent such rights may be waived under Applicable Law). If, from time to time, there are no Lenders other than Swap Lenders, Cash Management Lenders or Creditcard Lenders, the Majority Lenders for the purposes of this Agreement shall be calculated by revising paragraph (b) of the definition of Majority Lenders to change the references to "Borrowings" to "Secured Obligations" and deleting the words "under all of the Facilities"; and
- (b) **General Remedies:** the rights and remedies of the Administrative Agent and each Lender, each Swap Lender, each Cash Management Lender and each Creditcard Lender under the Loan Documents, the Bilateral Financial Services Agreements and Lender Swaps are cumulative and are in addition to and not in substitution for any rights or remedies provided by law. The Administrative Agent may, on behalf of all Lenders, Creditcard Lenders, Swap Lenders and Cash Management Lenders, and shall, if so required by the Majority Lenders, to the extent permitted by Applicable Law, bring suit at law, in equity or otherwise for any available relief or purpose including but not limited to:
- (i) **Specific Performance:** the specific performance of any covenant or agreement contained in the Credit Documents;
  - (ii) **Injunction:** enjoining a violation of any of the terms of the Credit Documents;
  - (iii) **Assistance:** aiding in the exercise of any power granted by the Credit Documents or by law; or
  - (iv) **Judgment:** obtaining and recovering judgment for any and all amounts due in respect of the Borrowings or amounts otherwise due hereunder or under the other Credit Documents.

## 10.6 Right of Set-Off

If an Event of Default shall have occurred and be continuing, each Lender and each of its respective Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by Applicable Law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held, and other obligations (in whatever currency) at any time owing, by such Lender or any such Affiliate, to or for the credit or the account of the Borrower or any other Loan Party against any and all of the obligations of the Borrower or such Loan Party now or hereafter existing under this Agreement or any other Loan Document to such Lender or its respective Affiliates, irrespective of whether or not such Lender or Affiliate shall have made any demand under this Agreement or any other Loan Document and although such obligations of the Borrower or such Loan Party may be contingent or unmatured or are owed to a branch, office or Affiliate of such Lender different from the branch, office or Affiliate holding such deposit or obligated on such indebtedness; provided that in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 14.2 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent and the Lenders, and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the amounts secured by the Security owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of each Lender and its Affiliates under this Section 10.6 are in addition to other rights and remedies (including other rights of setoff) that such Lender or its Affiliates may have. Each Lender agrees to notify the Borrower and the Administrative Agent promptly after any such setoff and application; provided that the failure to give such notice shall not affect the validity of such setoff and application. Notwithstanding the foregoing or the provisions of any Swap, the Lenders and Swap Lenders shall not effect or purport to effect any set-off of Swap Indebtedness that is not Permitted Swap Indebtedness against or on account of any Secured Obligations owed to it.

## 10.7 Application and Sharing of Payments Following Acceleration

Except as otherwise agreed to by all the Lenders in their sole discretion, all monies and Property received by the Lenders (in their capacity as Lenders and, if applicable, Swap Lenders, Cash Management Lenders or Creditcard Lenders) for application in respect of the Secured Obligations subsequent to the delivery of an Acceleration Notice or the occurrence of an Event of Default specified in Sections 10.1(h) or 10.1(i) (including monies received as a result of a realization upon the Security or the exercise of a right of set-off), shall be applied and distributed to the Lenders (in their capacity as Lenders and, if applicable, Swap Lenders, Cash Management Lenders and Creditcard Lenders) in the manner set forth below, each such application to be made in the following order with any balance remaining after application in respect of each category to be applied to the next succeeding category:

- (a) firstly, in or towards payment of any fees or expenses then due and payable to the Administrative Agent hereunder or under any other Loan Document;
- (b) secondly, *pro rata* among the Lenders in respect of amounts due and payable to such Lenders as and by way of recoverable expenses hereunder or under any of the Security;
- (c) thirdly, *pro rata* among the Lenders, the Creditcard Lenders and the Cash Management Lenders in respect of amounts due and payable to such Lenders by way of interest pursuant to Sections 5.1, 5.2, 5.3 and 5.4, Letter of Credit Fees and Fronting Fees pursuant to Section 5.5, fees payable in respect of Creditcard Facilities or Cash Management Services, interest on overdue amounts pursuant to Section 5.6, standby fees pursuant to Section 5.10 and any other fees then owing pursuant to Section 5.12;

- (d) fourthly, *pro rata* among the Lenders, the Cash Management Lenders and the Creditcard Lenders in respect of any other amount (other than Lender Outstandings) not hereinbefore referred to in this Section 10.7 which are then due and payable to any of them by the Borrower hereunder or under any other Loan Document or Bilateral Financial Services Agreements;
- (e) fifthly, Proportionately among the Lenders, the Cash Management Lenders, the Creditcard Lenders and the Swap Lenders in or towards repayment of the Lender Outstandings; and
- (f) sixthly, *pro rata* in or towards repayment to the Swap Lenders of all Swap Indebtedness in excess of the Permitted Swap Indebtedness.

To the extent that a Lender Swap or Bilateral Financial Services Agreement is entered into by an Affiliate of a Lender, that Lender shall cause such Affiliate to comply with the provisions of this Section 10.7 and such obligation shall survive such Lender (at any time after any such Lender Swap or Bilateral Financial Services Agreement was entered into) ceasing to be a Lender hereunder.

#### **10.8 Adjustments Among the Lenders**

- (a) Notwithstanding anything herein to the contrary or any other Loan Document, if an Acceleration Notice has been delivered:
  - (i) each Lender agrees that it will at any time or from time to time thereafter at the request of the Administrative Agent as required by any Lender, (A) purchase at par on a nonrecourse basis a participation in the Borrowings owing to each other Lender; and (B) make any other adjustments as are reasonably necessary or appropriate (including indemnities for any then outstanding Letters of Credit, CORRA Loans and SOFR Loans), in order that the aggregate Borrowings owing to each of the Lenders (subject to adjustment as required to reflect any Conversion of Swing Line Borrowings to Operating Borrowings pursuant to Section 3.14(h)), as adjusted pursuant to this Section 10.8(a), shall be in the same proportion as each Lender's aggregate Commitments for all Facilities was to the Total Commitment immediately prior to delivery of the Acceleration Notice; and
  - (ii) any payment made by or on behalf of any of the Loan Parties under or pursuant to the Loan Documents, any proceeds from the exercise of any rights and remedies of the Administrative Agent and the Lenders under the Loan Documents and any distribution or payment received by the Administrative Agent or the Lenders with respect to the Loan Parties in the event of any bankruptcy, insolvency, winding-up, liquidation, arrangement, compromise or composition, shall be applied against the Borrowings in a manner so that, to the extent possible, the Borrowings owing to each Lender under the Facilities will be in the same proportion as each Lender's aggregate Commitments for all Facilities was to the Total Commitment immediately prior to the delivery of the Acceleration Notice.
- (b) Each Lender shall, at any time and from time to time at the request of the Administrative Agent as required by any Lender, execute and deliver such agreements, instruments and other documents and take such other steps and actions as may be required to confirm, evidence or give effect to the foregoing.
- (c) For certainty, (i) the Lenders shall be obligated to purchase participations and to effect the transactions and adjustments contemplated by this Section 10.8; and (ii) the other provisions hereof shall operate and apply, in each case, irrespective of whether any condition in Article 8 is met.

### **10.9 Calculations as at the Adjustment Time**

For the purposes of this Agreement, if:

- (a) Swap Demand: a Swap Demand for Payment has been delivered; or
- (b) Termination Event: a Termination Event has occurred under any Credit Document evidencing a Swap;

then, for the purposes of calculations to be made at the Adjustment Time, any Termination Amount which is payable by any Loan Party under such Swap in settlement of obligations arising thereunder as a result of the early termination of the Swap shall be deemed to have become payable at the time of delivery of such Swap Demand for Payment or the time of occurrence of such Termination Event as the case may be, notwithstanding that the amount payable by any Loan Party is to be subsequently calculated and notice thereof given to such Loan Party in accordance with such Swap. For the purposes of the foregoing, the Administrative Agent shall make all determinations of the applicable Termination Amounts in accordance with its usual practices, acting reasonably, and for such purposes each Lender shall provide details to the Administrative Agent of its own calculations of the applicable Termination Amounts.

### **10.10 Lender May Perform Covenants**

If any Loan Party shall fail to perform any of its obligations under any covenant contained in any of the Loan Documents within the time permitted for the performance of any such covenant or for the cure of any default thereof, the Administrative Agent may, on behalf of the Lenders, the Swap Lenders, the Cash Management Lenders and the Creditcard Lenders and with the approval of the Majority Lenders and with prior written notification to the Borrower, perform any such covenant capable of being performed by it and, if any such covenant requires the payment or expenditure of money, it may make such payment or expenditure with its own funds on behalf of the Lenders, the Swap Lenders, the Cash Management Lenders and the Creditcard Lenders. If the Administrative Agent elects to effect such observance or performance, neither the Administrative Agent nor any Lender, Swap Lender, Cash Management Lender or Creditcard Lender shall be liable for any failure or deficiency in effecting such observance or performance, nor for the payment of any bills, invoices or accounts incurred or rendered in connection therewith, except to the extent the Administrative Agent or such Lender, Swap Lender, Cash Management Lender or Creditcard Lender is grossly negligent or acts with wilful misconduct. All amounts so paid by any Lender or the Administrative Agent hereunder shall be repaid by the Borrower on demand therefor, and shall bear interest at the rate set forth in Section 5.6 from and including the date paid by the Administrative Agent hereunder to but excluding the date such amounts are repaid in full by the Borrower and shall be secured by the Security.

### **10.11 Waiver of Default**

Any single or partial exercise by any Lender, any Swap Lender, any Cash Management Lender, any Creditcard Lender, the Administrative Agent or by the Administrative Agent on behalf of any Lender, any Swap Lender, any Cash Management Lender or any Creditcard Lender of any right or remedy for a default or breach of any term, covenant, condition or agreement contained in the Loan Documents, the Bilateral Financial Services Agreements or Lender Swaps shall not be deemed to be a waiver of or to alter, affect or prejudice any other right or remedy to which the Administrative Agent or such Lender, Swap Lender, Cash Management Lender or Creditcard Lender may be lawfully entitled for the same default or breach, and any waiver by any Lender, any Swap Lender, any Cash Management Lender, any Creditcard Lender, the Administrative Agent or by the Administrative Agent on behalf of any Lender, any Swap Lender, any Cash Management Lender or any Creditcard Lender of the strict observance, performance or

compliance with any term, covenant, condition or agreement contained in the Loan Documents, the Bilateral Financial Services Agreements or Lender Swaps, and any indulgence granted thereby, shall be deemed not to be a waiver of any subsequent default. To the extent permitted by Applicable Law, the Borrower hereby waives any rights now or hereafter conferred by statute or otherwise which are inconsistent with the Administrative Agent's or a Lender's, a Swap Lender's, a Cash Management Lender's or a Creditcard Lender's rights or remedies under the Loan Documents, the Bilateral Financial Services Agreements and Lender Swaps.

**ARTICLE 11**  
**INCREASED COST, TAXES, LENDER REPLACEMENT, ILLEGALITY,**  
**BENCHMARK REPLACEMENT, FUNDING INDEMNITY**

**11.1 Increased Cost**

- (a) **Increased Costs Generally:** If any Change in Law shall:
- (i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender;
  - (ii) subject any Lender to any tax of any kind whatsoever with respect to this Agreement, or any Accommodation made by it, or change the basis of taxation of payments to such Lender in respect thereof (except for Indemnified Taxes or Other Taxes covered by Section 11.2 and the imposition of, or any change in the rate of, any Excluded Tax payable by such Lender); or
  - (iii) impose on any Lender any other condition, cost or expense affecting this Agreement or any Accommodation made by such Lender;

and the result of any of the foregoing shall be to increase the cost to such Lender of making, converting to, continuing or maintaining any Accommodation or of maintaining its obligation to make any such Accommodation, or to reduce the amount of any sum received or receivable by such Lender hereunder (whether of principal, interest, fees or any other amount) then, upon request of such Lender, the Borrower will pay to such Lender, as the case may be, such additional amount or amounts as will compensate such Lender, as the case may be, for such additional costs incurred or reduction suffered.

- (b) **Capital Requirements:** If any Lender determines that any Change in Law affecting such Lender or any lending office of such Lender or such Lender's holding company, if any, regarding capital requirements, has or would have the effect of reducing the rate of return on such Lender's capital or on the capital of such Lender's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Accommodations made by such Lender, to a level below that which such Lender or such Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's policies and the policies of such Lender's holding company with respect to capital adequacy), then from time to time the Borrower will pay to such Lender such additional amount or amounts as will compensate such Lender or such Lender's holding company for any such reduction suffered.
- (c) **Certificates for Reimbursement:** A certificate of a Lender setting forth the amount or amounts necessary to compensate such Lender or its holding company, as the case may be, as specified in paragraph (a) or (b) of this Section and delivered to the Borrower, shall be conclusive absent

manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within 10 Business Days after receipt thereof.

- (d) **Delay in Requests:** Failure or delay on the part of any Lender to demand compensation pursuant to this Section 11.1 shall not constitute a waiver of such Lender's right to demand such compensation; provided that the Borrower shall not be required to compensate a Lender pursuant to this Section 11.1 for any increased costs incurred or reductions suffered more than 90 days prior to the date that such Lender notifies the Borrower of the Change in Law giving rise to such increased costs or reductions, and of such Lender's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the 90-day period referred to above shall be extended to include the period of retroactive effect thereof).

## 11.2 Taxes

- (a) **Payments Free of Taxes:** Any and all payments by or on account of any obligation of the Borrower hereunder or under any other Loan Document shall be made free and clear of and without reduction or withholding for any Indemnified Taxes or Other Taxes, provided that if the Borrower shall be required by Applicable Law to deduct any Indemnified Taxes (including any Other Taxes) from such payments, then (i) the sum payable shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 11.2) the Administrative Agent or Lender, as the case may be, receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Borrower shall make such deductions and (iii) the Borrower shall timely pay the full amount deducted to the relevant Governmental Authority in accordance with Applicable Law.
- (b) **Payment of Other Taxes by the Borrower:** Without limiting the provisions of paragraph (a) above, the Borrower shall timely pay any Other Taxes to the relevant Governmental Authority in accordance with Applicable Law.
- (c) **Indemnification by the Borrower:** The Borrower shall indemnify the Administrative Agent and each Lender, within 10 days after demand therefor, for the full amount of any Indemnified Taxes or Other Taxes (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section) paid by the Administrative Agent or such Lender, as the case may be, and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.
- (d) **Evidence of Payments:** As soon as practicable after any payment of Indemnified Taxes or Other Taxes by the Borrower to a Governmental Authority, the Borrower shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.
- (e) **Status of Lenders:** Any Foreign Lender that is entitled to an exemption from or reduction of withholding tax under the law of the jurisdiction in which the Borrower is resident for tax purposes, or any treaty to which such jurisdiction is a party, with respect to payments hereunder or under any other Loan Document shall deliver to the Borrower (with a copy to the Administrative Agent), at the time or times prescribed by Applicable Law or reasonably requested by the Borrower or the

Administrative Agent, such properly completed and executed documentation prescribed by Applicable Law as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by Applicable Law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements.

- (f) **Treatment of Certain Refunds:** If the Administrative Agent or a Lender determines, in its sole discretion, that it has received a refund of any Taxes or Other Taxes as to which it has been indemnified by the Borrower or with respect to which the Borrower has paid additional amounts pursuant to this Section 11.2, it shall pay to the Borrower an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by the Borrower under this Section 11.2 with respect to the Taxes or Other Taxes giving rise to such refund), net of all out-of-pocket expenses of the Administrative Agent or such Lender, as the case may be, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), provided that the Borrower, upon the request of the Administrative Agent or such Lender, agrees to repay the amount paid over to the Borrower (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Administrative Agent or such Lender in the event the Administrative Agent or such Lender is required to repay such refund to such Governmental Authority. This paragraph shall not be construed to require the Administrative Agent or any Lender to make available its tax returns (or any other information relating to its taxes that it deems confidential) to the Borrower or any other Person.

### 11.3 Mitigation Obligations, Replacement of Lenders

- (a) **Designation of a Different Lending Office:** If any Lender requests compensation under Section 11.1 or requires the Borrower to pay additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 11.2, then such Lender shall (at the request of the Borrower) use commercially reasonable efforts to designate a different lending office for funding or booking Borrowings hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 11.1 or 11.2, as the case may be, in the future, and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.
- (b) **Replacement of Lenders:** If any Lender requests compensation under Section 11.1 or if the Borrower is required to pay additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 11.2 and, in each case, such Lender has declined or is unable to designate a different lending office in accordance with Section 11.3(a), or if any Lender is a Defaulting Lender or a Non-Consenting Lender, or if any Lender requires the Borrowing Base to be determined at a level which is lower than the level otherwise acceptable to all other Lenders (any such Lender being referred to as an "**Affected Lender**"), then the Borrower may, at its sole expense and effort, so long as no Default or Event of Default has occurred and is continuing:
- (i) upon notice to the Affected Lender and the Administrative Agent, require such Affected Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 13.1), all of its interests, rights and obligations under this Agreement and the related Loan Documents to an Eligible



Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); provided that:

- (A) the Borrower shall have paid to the Administrative Agent the assignment fee (if any) specified in Section 13.1(b)(iv);
  - (B) such Affected Lender shall have received payment of an amount equal to the outstanding principal of its Accommodations, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any breakage costs and amounts required to be paid under this Agreement as a result of prepayment to a Lender) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts);
  - (C) in the case of any such assignment resulting from a claim for compensation under Section 11.1 or payments required to be made pursuant to Section 11.2, such assignment will result in a reduction in such compensation or payments thereafter;
  - (D) such assignment does not conflict with Applicable Law; and
  - (E) in the case of any assignment resulting from a Lender becoming a Non-Consenting Lender, the applicable assignee shall have consented to the applicable amendment, waiver or consent; or
- (ii) upon at least five (5) Business Days' prior written notice to the Affected Lender and the Administrative Agent, irrevocably cancel all but not part of the Affected Lender's Commitment (which shall include its Fronted LC Commitment, if any) if on or prior to the last day of such notice period such Affected Lender shall have received payment from the Borrower of an amount equal to the outstanding principal of its Accommodations, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any breakage costs and amounts required to be paid under this Agreement as a result of prepayment to a Lender) and, if such Lender is the Fronting Lender, returned to the Fronting Lender all Letters of Credit issued by it for cancellation.

An Affected Lender shall not be required to make any such assignment or delegation, or accept any such cancellation of Commitment and payment, if, prior thereto, as a result of a waiver by such Affected Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation, or cancellation and payment, as the case may be, cease to apply.

#### **11.4 Illegality**

- (a) If (i) the introduction of or any change in Applicable Law, regulation, treaty, official directive or regulatory requirement now or hereafter in effect (whether or not having the force of law), (ii) any change in the interpretation or application thereof by any court or by any judicial or governmental authority charged with the interpretation or administration thereof, or (iii) any change in the status of the Borrower or any Subsidiary or the addition to the Security of any new collateral located outside of Canada, in any case, makes it unlawful or prohibited for a Lender (in its sole opinion acting reasonably and in good faith) to advance or fund Accommodations or maintain the Borrowings or a portion of the Accommodations or Borrowings or to perform its obligations under this Agreement, such Lender may by written notice to the Borrower through the Administrative

Agent terminate its obligations under this Agreement to advance such Accommodations or perform such obligations and the Borrower shall either (i) prepay such Borrowings within 15 Business Days together with all accrued but unpaid interest and fees as may be applicable to the date of payment, or (ii) convert by notice to the Administrative Agent such Borrowings forthwith into another basis of Borrowing available under this Agreement, provided that such conversion is permitted by Applicable Law and will not require the participation in any Borrowing by such Lender providing notice herein.

- (b) If any Lender determines that any Applicable Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable lending office to make, maintain or fund Accommodations whose interest is determined by reference to any Benchmark or to determine or charge interest based upon any Benchmark, then, upon notice thereof by such Lender to the Borrower (through the Administrative Agent) (such notice, an "**Illegality Notice**"), (a) any obligation of the Lenders to make or Rollover such Benchmark Loans or to convert such Benchmark Loans shall be suspended, and (b) if such notice asserts the illegality of such Lender making or maintaining U.S. Base Rate Loans or Prime Loans the interest rate on which is determined by reference to the Adjusted Term SOFR component of the U.S. Base Rate or the Adjusted Term CORRA component of the Prime Rate, as applicable, the interest rate on which U.S. Base Rate Loans and Prime Loans, as applicable, of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Adjusted Term SOFR component of the U.S. Base Rate or the Adjusted Term CORRA component of the Prime Rate, as applicable, in each case, until each affected Lender notifies the Administrative Agent and the Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of an Illegality Notice, the Borrower shall, upon demand from any Lender (with a copy to the Administrative Agent), prepay or, if applicable, convert all Benchmark Loans of such Lender to the applicable Benchmark Fallback Loans either on the last day of the Interest Period therefor, if all affected Lenders may lawfully continue to maintain such Benchmark Loan to such day, or immediately, if any Lender may not lawfully continue to maintain such Benchmark Loan, in each case, until the Administrative Agent is advised in writing by each affected Lender that it is no longer illegal for such Lender to determine or charge interest rates based upon such Benchmark. Upon any such prepayment or conversion following receipt of an Illegality Notice, the Borrower shall also pay accrued interest on the amount so prepaid or converted, together with any additional amounts required pursuant to Section 11.6.

## 11.5 **Benchmark Replacement**

### (a) **Benchmark Replacement Setting:**

- (i) **Benchmark Replacement:** Notwithstanding anything to the contrary herein or in any other Loan Document (and, for certainty, any Swap shall be deemed not to be a "Loan Document" for purposes of this Section), if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to any setting of the then-current Benchmark, then (A) if a Benchmark Replacement is determined in accordance with clause (a)(i) or (b)(i) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any other Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and (B) if a Benchmark Replacement is determined in accordance with clause (a)(ii), (b)(ii) or (c) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and

under any other Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (Toronto time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Majority Lenders. If the Benchmark Replacement is based upon Adjusted Daily Simple SOFR, all interest payments which bear interest with reference to such rate will be payable on a monthly basis.

- (ii) **Benchmark Replacement Conforming Changes:** In connection with the use or administration of any Benchmark or the use, administration, adoption or implementation of a Benchmark Replacement, the Administrative Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.
- (iii) **Notices; Standards for Decisions and Determinations:** The Administrative Agent will promptly notify the Borrower and the Lenders of (A) the implementation of any Benchmark Replacement, (B) the effectiveness of any Conforming Changes in connection with the use, administration, adoption or implementation of a Benchmark Replacement, and (C) the effectiveness of any Conforming Changes in connection with the use or administration of any Benchmark. The Administrative Agent will notify the Borrower of (I) the removal or reinstatement of any tenor of a Benchmark pursuant to Section 11.5(a)(iv) and (II) the commencement of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 11.5(a), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 11.5(a).
- (iv) **Unavailability of Tenor of Benchmark:** Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (A) if any then-current Benchmark is a term rate (including the Term SOFR Reference Rate or the Term CORRA Reference Rate) and either (I) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (II) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is not or will not be representative, then the Administrative Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (B) if a tenor that was removed pursuant to clause (A) above either (I) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (II) is not, or is no longer, subject to an announcement that it is not or will not be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may

modify the definition of "Interest Period" (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

- (v) **Benchmark Unavailability Period:** Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, (A) the Borrower may revoke any requested Drawdown of, Conversion to or Rollover of any Benchmark Loan, which are of a type that have a rate of interest determined by reference to the then-current Benchmark, to be made, converted or rolled over during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request into a request for a Borrowing of or Conversion to the applicable Benchmark Fallback Loans and (B) any outstanding affected Benchmark Loans will be deemed to have been converted to the applicable Benchmark Fallback Loans, at the end of the applicable Interest Period. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of the U.S. Base Rate or the Prime Rate, as applicable, based upon such Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of the U.S. Base Rate or the Prime Rate, as applicable.
- (b) **Inability to Determine Rates:** Subject to Section 11.5(a), if, on or prior to the first day of any Interest Period for any Benchmark Loans:
  - (i) the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that any Benchmark cannot be determined pursuant to the definition thereof, for reasons other than a Benchmark Transition Event; or
  - (ii) the Majority Lenders determine that for any reason in connection with any request for any Benchmark Loan or a Conversion thereto or a continuation thereof that the applicable Benchmark for any requested Interest Period with respect to a proposed Benchmark Loan does not adequately and fairly reflect the cost to such Lenders of making and maintaining such Benchmark Loan, and the Majority Lenders have provided notice of such determination to the Administrative Agent,

then, in each case, the Administrative Agent will promptly so notify the Borrower and each Lender. Upon notice thereof by the Administrative Agent to the Borrower, any obligation of the Lenders to make such Benchmark Loans, and any right of the Borrower to Rollover such Benchmark Loans or to convert any other Loans into such Benchmark Loans, shall be suspended (to the extent of the affected Benchmark Loans or affected Interest Periods) until the Administrative Agent (with respect to clause (ii), at the instruction of the Majority Lenders) revokes such notice.

Upon receipt of such notice:

- (iii) in respect of any affected SOFR Loans, (A) the Borrower may revoke any pending request for a Drawdown of, Conversion to or Rollover of such SOFR Loans (to the extent of the affected SOFR Loans or affected Interest Periods) or, failing such revocation, the Borrower will be deemed to have converted any such request into a request for a Drawdown of or Conversion to U.S. Base Rate Loans in the amount specified therein and (B) any such outstanding affected SOFR Loans will be deemed to have been converted into U.S. Base Rate Loans at the end of the applicable Interest Period; and
- (iv) in respect of any affected CORRA Loans, (A) (1) the Borrower may revoke any pending request for a Drawdown of, Conversion to or Rollover of such CORRA Loans (to the extent

of such affected CORRA Loans or affected Interest Periods), (2) in respect of Term CORRA Loans, the Borrower may elect to convert any such request into a request for a Drawdown of, or Conversion to, Daily Compounded CORRA Loans, or, failing such revocation or election, and (3) the Borrower will be deemed to have converted any such request into a request for a Drawdown of or Conversion to Prime Loans, in the amount specified therein, and (B)(1) in respect of Term CORRA Loans, the Borrower may elect to convert any outstanding affected Term CORRA Loans at the end of the applicable Interest Period, into Daily Compounded CORRA Loans, and (2) otherwise, or failing such election, any outstanding CORRA Loans will be deemed to have been converted, at the end of the applicable Interest Period, into Prime Loans in the amount specified therein,

in each case, upon any such Conversion, the Borrower shall also pay accrued interest on the amount so converted, together with any additional amounts required pursuant to Section 11.6. Subject to Section 11.5(a), and if the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that any Benchmark cannot be determined pursuant to the definition thereof on any given day, the interest rate on U.S. Base Rate Loans or Prime Loans, as applicable, shall be determined by the Administrative Agent without reference to paragraph (c) of the definition of "U.S. Base Rate" or paragraph (b) of the definition of "Prime Rate" until the Administrative Agent revokes such determination.

#### **11.6 Funding Indemnity**

If, for any reason whatsoever and whether or not required or permitted pursuant to the provisions of this Agreement, the Borrower repays, prepays, converts or cancels a CORRA Loan or a SOFR Loan other than on the last day of an Interest Period applicable to such CORRA Loan or SOFR Loan, or fails for any reason to borrow, convert, rollover or otherwise act in accordance with a notice given hereunder pursuant to Schedule "B" or Schedule "C", the Borrower shall indemnify the applicable Lender for any loss or expense incurred by such Lender as a direct result thereof including any loss of profit or expenses such Lender incurs by reason of the liquidation or reemployment of deposits or other funds acquired by such Lender to maintain the applicable CORRA Loan, SOFR Loan or other Borrowing or any increased interest or other charges payable to lenders of funds borrowed in order to maintain such CORRA Loan, SOFR Loan or other Borrowing, together with any other out-of-pocket charges, costs or expenses incurred by such Lender relative thereto. A certificate of such Lender (acting reasonably and prepared in good faith) submitted by such Lender setting out the basis for the determination of the amount necessary to indemnify such Lender shall be *prima facie* evidence thereof.

### **ARTICLE 12**

#### **THE ADMINISTRATIVE AGENT AND THE LENDERS**

##### **12.1 Appointment and Authority**

Each of the Lenders, the Swap Lenders, the Cash Management Lenders and the Creditcard Lenders hereby irrevocably appoints ATB to act on its behalf as the Administrative Agent hereunder and under the other Credit Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article are solely for the benefit of the Administrative Agent, the Lenders, the Swap Lenders, the Cash Management Lenders and the Creditcard Lenders, and the Borrower shall not have rights as a third-party beneficiary of any of such provisions except to the extent expressly provided herein. It is understood and agreed that the use of the term "Administrative Agent" herein or in any other Loan Documents (or any other similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or other

implied (or express) obligations arising under agency doctrine of any Applicable Law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

## **12.2 Additional Rights**

The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender, Swap Lender, Cash Management Lender or Creditcard Lender as any other Lender, Swap Lender, Cash Management Lender or Creditcard Lender and may exercise the same as though it were not the Administrative Agent, and the term "Lender" or "Lenders", "Swap Lender" or "Swap Lenders", "Cash Management Lender" or "Cash Management Lenders" or "Creditcard Lender" or "Creditcard Lenders", as applicable, shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for, and generally engage in any kind of business with, the Borrower or any Subsidiary or other Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders, the Swap Lenders, the Cash Management Lenders or the Creditcard Lenders.

## **12.3 Exculpatory Provisions**

- (a) The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents, and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, the Administrative Agent:
- (i) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;
  - (ii) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Majority Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents); provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or Applicable Law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law or that may effect a forfeiture, modification or termination of Property of a Defaulting Lender in violation of any Debtor Relief Law; and
  - (iii) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.
- (b) The Administrative Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Majority Lenders (or such other number or percentage of the Lenders as shall be necessary) or (ii) in the absence of its own gross negligence or wilful misconduct as determined by a court of competent jurisdiction by final and non-appealable judgment. The Administrative Agent shall be deemed not to have knowledge of any Default or Event of Default

unless and until notice describing such Default or Event of Default is given to the Administrative Agent in writing by the Borrower or a Lender.

- (c) The Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default or Event of Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document, or (v) the satisfaction of any condition set forth in Article 8 or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

#### **12.4 Reliance by Administrative Agent**

The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of an Accommodation that by its terms must be fulfilled to the satisfaction of a Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender unless the Administrative Agent shall have received notice to the contrary from such Lender prior to the making of such Accommodation. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

#### **12.5 Delegation of Duties**

The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-Administrative Agents appointed by the Administrative Agent. The Administrative Agent and any such sub-Administrative Agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-Administrative Agent and to the Related Parties of the Administrative Agent and any such sub-Administrative Agent, and shall apply to their respective activities in connection with the syndication of the Facilities as well as activities as Administrative Agent.

#### **12.6 Resignation of Administrative Agent**

- (a) The Administrative Agent may at any time give notice of its resignation to the Lenders and the Borrower. Upon receipt of any such notice of resignation, the Majority Lenders shall have the right, in consultation with the Borrower and, prior to the occurrence of an Event of Default which is continuing, with the consent of the Borrower, such consent not to be unreasonably withheld, to appoint a successor, which shall be a bank with an office in Calgary, Alberta or Toronto, Ontario, or an Affiliate of any such bank with an office in Calgary, Alberta or Toronto, Ontario. If no such successor shall have been so appointed by the Majority Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation (or such earlier day as shall be agreed by the Majority Lenders) (the "**Resignation Effective Date**"),

then the retiring Administrative Agent may (but shall not be obligated to), on behalf of the Lenders, the Swap Lenders, the Cash Management Lenders and the Creditcard Lenders, appoint a successor Administrative Agent meeting the qualifications set forth above. Whether or not a successor has been appointed, such resignation shall become effective in accordance with such notice on the Resignation Effective Date.

- (b) If the Person serving as Administrative Agent is a Defaulting Lender pursuant to clause (c) of the definition thereof, the Majority Lenders may, to the extent permitted by Applicable Law, by notice in writing to the Borrower and such Person remove such Person as Administrative Agent and, in consultation with the Borrower and, prior to the occurrence of an Event of Default which is continuing, with the consent of the Borrower, such consent not to be unreasonably withheld, appoint a successor. If no such successor shall have been so appointed by the Majority Lenders and shall have accepted such appointment within 30 days (or such earlier day as shall be agreed by the Majority Lenders) (the "**Removal Effective Date**"), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.
- (c) With effect from the Resignation Effective Date or the Removal Effective Date (as applicable) (1) the retiring or removed Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any collateral security held by the Administrative Agent on behalf of the Lenders, the Swap Lenders, the Cash Management Lenders and the Creditcard Lenders, under any of the Credit Documents, the retiring or removed Administrative Agent shall continue to hold such collateral security until such time as a successor Administrative Agent is appointed) and (2) all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender, Swap Lender, Cash Management Lender or Creditcard Lender directly, until such time, if any, as the Majority Lenders appoint a successor Administrative Agent as provided for above. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring or removed Administrative Agent, and the retiring or removed Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents. The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring or removed Administrative Agent's resignation or removal hereunder and under the other Loan Documents, the provisions of this Article 12 and Section 14.3 shall continue in effect for the benefit of such retiring or removed Administrative Agent, its sub-Administrative Agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring or removed Administrative Agent was acting as Administrative Agent.

#### **12.7 Non-Reliance on Administrative Agent and Other Lenders**

Each Lender, each Swap Lender, each Cash Management Lender and each Creditcard Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender, Swap Lender, Cash Management Lender or Creditcard Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender, each Swap Lender, each Cash Management Lender and each Creditcard Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender, Swap Lender, Cash Management Lender or Creditcard Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon



this Agreement, any other Credit Document or any related agreement or any document furnished hereunder or thereunder.

**12.8 No Other Duties, etc.**

Anything herein to the contrary notwithstanding, none of the bookrunners or arrangers listed on the cover page hereof shall have any powers, duties or responsibilities under this Agreement or any of the other Loan Documents except in its capacity, as applicable, as the Administrative Agent, a Lender, a Swap Lender, a Cash Management Lender or a Creditcard Lender hereunder.

**12.9 Administrative Agent May File Proofs of Claim**

In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to any Loan Party, the Administrative Agent (irrespective of whether the principal of any Accommodation shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) shall be entitled and empowered (but not obligated) by intervention in such proceeding or otherwise:

- (a) to file and prove a claim for the whole amount of the principal, interest and fees owing and unpaid in respect of the Borrowings and all other amounts secured by the Security that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and the Administrative Agent and their respective counsel and all other amounts due to the Lenders, the Swap Lenders, the Cash Management Lenders, the Creditcard Lenders and the Administrative Agent under Article 5 and Section 14.3) allowed in such judicial proceeding; and
- (b) to collect and receive any monies or other Property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender, each Swap Lender, each Cash Management Lender and each Creditcard Lender to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders, the Swap Lenders, the Cash Management Lenders or the Creditcard Lenders to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Article 5 and Section 14.3.

**12.10 Collateral and Guarantee Matters**

- (a) In addition to the authority granted to the Administrative Agent in Section 6.10, the Lenders, the Swap Lenders, the Cash Management Lenders and the Creditcard Lenders irrevocably authorize the Administrative Agent, at its option and in its discretion, to release any:
  - (i) Security Interest on any Property granted to or held by the Administrative Agent under the Loan Documents if unanimously approved, authorized or ratified in writing by the Lenders; and

- (ii) Subsidiary of the Borrower that is a party to the Loan Party Guarantee from its obligations thereunder if such Person ceases to be a Material Subsidiary.

Upon request by the Administrative Agent at any time, the Lenders, the Swap Lenders, the Cash Management Lenders and the Creditcard Lenders will confirm in writing the Administrative Agent's authority to release its interest in particular types or items of Property, or to release any Material Subsidiary from its obligations under the Loan Party Guarantee pursuant to this Section 12.10.

- (b) The Administrative Agent shall not be responsible for or have a duty to ascertain or inquire into any representation or warranty regarding the existence, value or collectability of the Collateral, the existence, priority or perfection of the Administrative Agent's Security Interest over such Collateral, or any certificate prepared by any Loan Party in connection therewith, nor shall the Administrative Agent be responsible or liable to the Lenders, the Swap Lenders, the Cash Management Lenders or the Creditcard Lenders for any failure to monitor or maintain any portion of the Collateral.

#### **12.11 Rights and Obligations of Each Lender**

The rights and obligations of each Lender under this Agreement are several, and no Lender shall be obligated to make Borrowings available to the Borrower in excess of the amount of such Lender's Commitment. The failure of a Lender, Swap Lender, Cash Management Lender or Creditcard Lender to perform its obligations under this Agreement or any other Credit Document shall neither:

- (a) result in any other Lender, Swap Lender, Cash Management Lender or Creditcard Lender incurring any liability whatsoever (except to the extent provided pursuant to Section 14.2(e)), provided that a Lender shall remain liable at all times for the performance of the obligations of its Affiliate that is a Swap Lender, Cash Management Lender or Creditcard Lender; nor
- (b) relieve any Loan Party or any other Lender, Swap Lender, Cash Management Lender or Creditcard Lender from its respective obligations under any Loan Document or Credit Document.

Nothing contained herein or in any other Loan Document or Credit Document nor any action taken pursuant hereto or thereto shall be deemed to constitute the Lenders, the Swap Lenders, the Cash Management Lenders or the Creditcard Lenders a partnership, joint venture or any other similar entity.

Each of the Lenders, the Swap Lenders, the Cash Management Lenders and the Creditcard Lenders hereby acknowledge that, to the extent permitted by Applicable Law, the remedies provided hereunder to the Lenders, the Swap Lenders, the Cash Management Lenders and the Creditcard Lenders are for their benefit collectively and acting together and not severally, and further acknowledge that its rights hereunder are to be exercised not severally but collectively by the Administrative Agent upon the decision of the Majority Lenders regardless of whether an Acceleration Notice has been delivered or an Event of Default under Sections 10.1(h) or 10.1(i) has occurred. Notwithstanding any of the provisions contained herein each of the Lenders, the Swap Lenders, the Cash Management Lenders and the Creditcard Lenders hereby covenants and agrees that it shall not be entitled to individually take any action with respect to the Loan Documents including taking (including in respect of its Commitment or any indebtedness or liability owed to it) any action contemplated in Sections 10.2 and 10.5, but that any such action shall be taken only by the Administrative Agent with the prior written agreement or instructions of the Majority Lenders; provided that notwithstanding the foregoing, if the Administrative Agent, having been adequately indemnified against costs and expenses of doing so by the Lenders, the Swap Lenders, the Cash Management Lenders and the Creditcard Lenders, shall fail to carry out any such instructions of the

Majority Lenders, any Lender may do so on behalf of all Lenders, the Swap Lenders, the Cash Management Lenders and the Creditcard Lenders and shall, in so doing, be entitled to the benefit of all protection give the Administrative Agent hereunder or elsewhere.

**12.12 Notice to Lenders, Swap Lenders, Cash Management Lenders and Creditcard Lenders**

Unless otherwise specifically dealt with in this Agreement, in the event the Administrative Agent delivers a written notice to a Lender, a Swap Lender, a Cash Management Lender or a Creditcard Lender requesting advice from such Lender, Swap Lender, Cash Management Lender or Creditcard Lender as to whether it consents or objects to any matter in connection with the Loan Documents or the other Credit Documents, then, except as otherwise expressly provided herein, if such Lender, Swap Lender, Cash Management Lender or Creditcard Lender does not deliver to the Administrative Agent its written consent or objection to such matter:

- (a) where a time period is specified hereunder for the Administrative Agent or the Majority Lenders to provide any response, notice or other communication prior to the end of such period; or
- (b) where no such time period is specified hereunder, then within 15 Business Days of the delivery of such written notice by the Administrative Agent to such Lender, Swap Lender, Cash Management Lender or Creditcard Lender;

such Lender, Swap Lender, Cash Management Lender or Creditcard Lender shall be deemed not to have consented thereto.

**12.13 Notices between the Lenders, the Administrative Agent and the Borrower**

All notices by the Lenders to the Administrative Agent shall be through the Administrative Agent's Branch of Account and all notices by the Administrative Agent to a Lender shall be through such Lender's Branch of Account. All notices or communications between the Borrower and the Lenders which are required or contemplated pursuant to the Loan Documents shall be given or made through the Administrative Agent at the Administrative Agent's Branch of Account.

**12.14 Administrative Agent's Duty to Deliver Documents Obtained from the Borrower**

The Administrative Agent shall promptly, and in any event within five Business Days of receipt thereof, deliver to each Lender, at its Branch of Account in hard copy or electronic form, such documents, papers, materials and other information as are furnished by the Borrower to the Administrative Agent on behalf of such Lender pursuant to this Agreement (provided that the Borrower shall be deemed to have fulfilled its obligation to deliver such documents, papers, materials and other information when delivered to the Administrative Agent), and the Borrower shall provide the Administrative Agent with sufficient copies of all such information for such purpose.

**12.15 Arrangements for Borrowings**

The Administrative Agent shall promptly give written notice to each Lender at its Branch of Account upon receipt by the Administrative Agent of any notice given pursuant to Article 3 or Section 4.4. The Administrative Agent shall advise each Lender of the amount, date and details of each Borrowing under each Facility and of such Lender's share in such Borrowing. At or before 11:00 a.m. (Calgary time) on each Drawdown Date, Conversion Date or Rollover Date, each Lender will make

available to the Borrower its share of Borrowings under the applicable Facility by way of Loans by forwarding to the Administrative Agent the amount of Loans required to be made available by such Lender.

#### 12.16 Arrangements for Repayment of Borrowings

- (a) **Prior to Demand or Acceleration:** Prior to the delivery of an Acceleration Notice or the occurrence of an Event of Default specified in Section 10.1(h) or 10.1(i), upon receipt by the Administrative Agent of payments from the Borrower on account of principal, interest, fees or any other payment made to the Administrative Agent on behalf of the Lenders, the Administrative Agent shall pay over to each Lender at its Branch of Account the amount to which it is entitled under this Agreement and shall use its best efforts to make such payment to such Lender on the same Business Day on which such payment is received by the Administrative Agent. If the Administrative Agent does not remit any such payment to a Lender on the same Business Day as such payment is received by the Administrative Agent, the Administrative Agent shall pay interest thereon to such Lender until the date of payment at a rate determined by the Administrative Agent (such rate to be conclusive and binding on such Lender) in accordance with the Administrative Agent's usual banking practice in respect of deposits of amounts comparable to the amount of such payment which are received by the Administrative Agent at a time similar to the time at which such payment is received by the Administrative Agent.
- (b) **Subsequent to Acceleration:** Following delivery of an Acceleration Notice or the occurrence of an Event of Default specified in Section 10.1(h) or 10.1(i), the Lenders, Swap Lenders, Cash Management Lenders and Creditcard Lenders shall share any payments subsequently received in accordance with Section 10.7.

#### 12.17 Repayments by Lenders to Agent

- (a) **Payments by Borrower; Presumptions by Administrative Agent:** Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders, that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender, with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the rate determined by the Administrative Agent (such rate to be conclusive and binding on such Lender) in accordance with banking industry rules on interbank compensation.
- (b) **Funding by Lenders; Presumption by Administrative Agent:** Unless the Administrative Agent shall have received notice from a Lender prior to a Drawdown Date, Conversion Date or Rollover Date that such Lender will not make available to the Administrative Agent the amount required to be made available by such Lender pursuant to this Agreement on such Drawdown Date, Conversion Date or Rollover Date, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with the provisions of this Agreement concerning funding and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable advance available to the Administrative Agent, then the applicable Lender and the Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Administrative Agent, at (i) in the case of a payment to be

made by such Lender, at the rate determined by the Administrative Agent (such rate to be conclusive and binding on such Lender) in accordance with banking industry rules on interbank compensation, and (ii) in the case of a payment to be made by the Borrower, the interest rate and fees applicable to the applicable Loan. If the Borrower and such Lender shall pay such interest and fees to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to the Borrower the amount of such interest and fees paid by the Borrower for such period. If such Lender pays its share of the applicable advance to the Administrative Agent, then the amount so paid shall constitute such Lender's Loans included in such advance. Any payment by the Borrower shall be without prejudice to any claim the Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

## 12.18 Adjustments Among Lenders

- (a) **Adjustments to Outstanding Borrowings:** If any Lender shall, subsequent to the Adjustment Time, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of, interest on, or fees in respect of, any Borrowings under any Facility resulting in such Lender receiving payment of a proportion of the aggregate amount of Borrowings under such Facility and accrued interest and fees thereon greater than its Applicable Percentage thereof as provided herein, then the Lender receiving such greater proportion shall: (a) notify the Administrative Agent of such fact, and (b) purchase (for cash at face value) portions of Borrowings under such Facility of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders rateably in accordance with the aggregate amount of principal of and accrued interest and fees on their respective Borrowings thereunder, provided that:
- (i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and
  - (ii) the provisions of this paragraph shall not be construed to apply to (x) any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender), or (y) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans to any assignee or participant, other than to the Borrower or any Subsidiary thereof (as to which the provisions of this paragraph shall apply).
- (b) **Application of Payments:** The Lenders, Swap Lenders, Cash Management Lenders and Creditcard Lenders agree that, after the Adjustment Time, the amount of any repayment made by the Borrower under, and the amount of any proceeds from the exercise of any rights or remedies of the Administrative Agent, the Lenders, the Swap Lenders, the Cash Management Lenders and the Creditcard Lenders under the Loan Documents, the Bilateral Financial Services Agreements or any Permitted Swaps will, subject to Section 10.7, be applied Proportionately to the amount of Lender Outstandings of each Lender, Swap Lender, Cash Management Lender and Creditcard Lender which remain and, after repayment of all Borrowings, Permitted Swap Indebtedness, Cash Management Obligations and Creditcard Obligations, will be applied on account of any remaining Swap Indebtedness.
- (c) **Receipt of Payments other than Borrowings:** Notwithstanding anything contained in this Section 12.18, there shall not be taken into account for the purposes of computing any amount payable to a Lender, Swap Lender, Cash Management Lender or Creditcard Lender pursuant to this Section 12.18, any amount which such Lender, Swap Lender, Cash Management Lender or

Creditcard Lender receives as a result of any payment (whether voluntary, involuntary, through the exercise of any right of set-off, or otherwise) on account of any monies owing by a Loan Party to such Lender, Swap Lender, Cash Management Lender or Creditcard Lender other than on account of Borrowings, Swap Indebtedness, Cash Management Obligations and Creditcard Obligations; provided that, if at any time a Lender, Swap Lender, Cash Management Lender or Creditcard Lender receives any payment (whether voluntary, involuntary, through the exercise of any right of set-off, or otherwise) on account of monies owing or payable to it by a Loan Party in respect of liabilities of a Loan Party under Borrowings, Swap Indebtedness, Cash Management Obligations or Creditcard Obligations, such payments will be applied in accordance with Section 10.7; provided further that the provisions of this Section 12.18(c) shall not apply to:

- (i) a Swap Lender which sets off amounts owing by a Loan Party to such Swap Lender under a Permitted Swap against amounts owing by such Swap Lender (including, for clarity, its Affiliates) to a Loan Party under any Permitted Swap entered into between such parties;
- (ii) a Swap Lender which sets off amounts owing by a Loan Party to such Swap Lender under a Lender Swap (other than a Permitted Swap) against amounts owing by such Swap Lender (including, for clarity, its Affiliates) to a Loan Party under any Lender Swap (other than a Permitted Swap) entered into between such parties; or
- (iii) a Cash Management Lender which sets off amounts owing by a Loan Party to such Cash Management Lender in respect of Cash Management Services against amounts owing by such Cash Management Lender to such Loan Party or any other Loan Party by reason of the provision of such Cash Management Services and in accordance with the provisions of the Bilateral Financial Services Agreements related thereto.

To the extent that a Lender Swap, Cash Management Service or Creditcard Facility is entered into by an Affiliate of a Lender, that Lender shall cause such Affiliate to comply with the provisions of this Section 12.18, and such obligation shall survive such Lender (at any time after any such Lender Swap, Cash Management Service or Creditcard Facility was entered into) ceasing to be a Lender hereunder.

- (d) **Borrower Consent:** The Borrower consents to the foregoing and agrees, to the extent it may effectively do so under Applicable Law, that any Lender, Swap Lender, Cash Management Lender or Creditcard Lender acquiring a participation pursuant to the foregoing arrangements may exercise against the Borrower or another Loan Party rights of setoff and counterclaim with respect to such participation as fully as if such Lender, Swap Lender, Cash Management Lender or Creditcard Lender were a direct creditor of the Borrower in the amount of such participation. The Borrower agrees, at the request of the Lender, to do all things necessary or appropriate to give effect to any and all purchases and other adjustments made by and between the Lenders, the Swap Lenders, the Cash Management Lenders and the Creditcard Lenders pursuant to this Section 12.18 but shall incur no increased indebtedness, in aggregate, by reason thereof.
- (e) **Lender Consent:** Each Lender, Swap Lender, Cash Management Lender and Creditcard Lender agrees that, after the Adjustment Time, it will at any time and from time to time upon the request of the Administrative Agent purchase portions of the amounts secured by the Security and make any other adjustments which may be necessary or appropriate in order that amounts which remain outstanding under the Credit Documents, as adjusted pursuant to this Section 12.18, are in accordance with the provisions of Section 10.7.

- (f) **Adjustments after Acceleration:** After all Borrowings and all other obligations and indebtedness of the Borrower under the Loan Documents and Bilateral Financial Services Agreements are declared by the Administrative Agent to be due and payable pursuant to Section 10.2, (i) each Lender agrees that it will at any time or from time to time thereafter at the request of the Administrative Agent as required by any Lender, purchase at par on a non-recourse basis a participation in Borrowings owing to each of the other Lenders and make any other adjustments as are necessary or appropriate, in order that Borrowings owing to each of the Lenders, as adjusted pursuant to this Section 12.18(f), will be in the same proportion as each Lender's Commitment was to the Total Commitment immediately prior to the Event of Default resulting in such declaration, and (ii) the amount of any repayment made by or on behalf of the Loan Parties under the Loan Documents or any proceeds received by the Administrative Agent or the Lenders pursuant to Section 10.7(e) will be applied by the Administrative Agent in a manner such that to the extent possible the amount of Borrowings owing to each Lender after giving effect to such application will be in the same proportion as each Lender's Commitment was to the Total Commitment immediately prior to the Event of Default resulting in such declaration.

#### 12.19 Lenders' Consents to Waivers, Amendments, etc.

- (a) **Unanimous Consent of Lenders:** Subject to Section 12.19(f), any waiver of or any amendment to a provision of the Loan Documents which relates to:
- (i) a change in the types of Accommodations or interest periods relating thereto;
  - (ii) a decrease in interest rates, standby fees or the Applicable Margin (including the Standby Fee Rate);
  - (iii) a change in notice periods or the amount of any payments payable by the Borrower to any Lender under this Agreement, including any waiver of the time of payment thereof;
  - (iv) an increase or decrease in the Commitment of any Lender other than as provided for herein;
  - (v) an increase, decrease to or affirmation of the Borrowing Base other than as provided for herein;
  - (vi) a change in the definition of "Borrowing Base", "Majority Lenders", "Delayed Draw Availability Period", "Term Facility Availability End Date" or "Scheduled Repayment Date";
  - (vii) the postponement of the Maturity Date;
  - (viii) the provisions of Section 3.7(b), Section 10.8, Section 12.18(f) or this Section 12.19;
  - (ix) an Event of Default under Section 10.1(a), 10.1(b) or 10.1(p);
  - (x) any release or modification of the Security, except as provided by Section 6.10, and except for modifications which are mechanical and administrative in nature; or
  - (xi) any matter which, pursuant to the Loan Documents, specifically requires the consent or agreement of all of the Lenders, rather than the consent or agreement of "the Lenders" or the "Majority Lenders" or "the Administrative Agent";

shall bind the Lenders, the Swap Lenders, the Cash Management Lenders and the Creditcard Lenders only if such waiver or amendment is agreed to in writing by all of the Lenders.

- (b) **Majority Lender Consent:** Subject to Section 12.19(a) and except as otherwise provided in the Loan Documents, any waiver, consent to or any amendment to any provision of the Loan Documents and any action, consent or other determination in connection with the Loan Documents shall bind all of the Lenders, the Swap Lenders, the Cash Management Lenders and the Creditcard Lenders if such waiver, amendment, action, consent or other determination is agreed to in writing by the Majority Lenders.
- (c) **Administrative Agent's Consent:** Any waiver, consent to or any amendment to any provision of the Loan Documents which relates to the rights or obligations of the Administrative Agent shall require the agreement of the Administrative Agent thereto.
- (d) **Swing Line Lender's Consent:** Any waiver of, or any amendment to, any provision of the Loan Documents which relates to the rights or obligations of the Swing Line Lender shall require the agreement of the Swing Line Lender thereto.
- (e) **Fronting Lender's Consent:** Any waiver, consent to or any amendment to any provision of the Loan Documents which relates to the rights or obligations of the Fronting Lender shall only require the agreement of the Fronting Lender thereto.
- (f) **Other Lender Consents:** Any waiver, consent to or any amendment to any provision of the Loan Documents which relates only to the terms, conditions or provisions of the Delayed Draw Facility, the Operating Facility or the Capex Facility shall only require the agreement of applicable Lenders with Commitments under such Facilities.

#### 12.20 Reimbursement of Administrative Agent's Expenses or Lender's Costs

Each Lender agrees that it will indemnify the Administrative Agent for its Applicable Percentage of the Total Commitment of any and all costs, expenses and disbursements (including those costs and expenses referred to in Section 14.3) which may be incurred or made by the Administrative Agent in good faith in connection with the Loan Documents, and agrees that it will, on written demand detailing such costs, expenses and disbursements, reimburse the Administrative Agent for any such costs, expenses or disbursements for which the Administrative Agent is not promptly reimbursed at any time by the Borrower. The Administrative Agent may refrain from exercising any right, power or discretion or taking any action to protect or enforce the rights of any Lender under the Loan Documents until it has been so reimbursed.

Each Swap Lender, Cash Management Lender and Creditcard Lender that is not a Lender agrees that it will indemnify the Administrative Agent for any and all costs, expenses and disbursements which may be incurred or made by the Administrative Agent in good faith in connection with the enforcement of the Loan Documents (including, for certainty, the Security) on behalf of such Swap Lender, Cash Management Lender or Creditcard Lender and agrees that it will, on written demand detailing such costs, expenses and disbursements, reimburse the Administrative Agent for any such costs, expenses or disbursements for which the Administrative Agent is not properly reimbursed at any time by the Borrower. The Administrative Agent may refrain from exercising any right, power or discretion or taking any action to protect or enforce the rights of any such Swap Lender, Cash Management Lender or Creditcard Lender under the Loan Documents (including, for certainty, the Security) until it has been so reimbursed.



### 12.21 Indemnity of Administrative Agent

Each Lender hereby agrees to indemnify the Administrative Agent (to the extent not reimbursed by the Borrower) as to its Applicable Percentage of the Total Commitment from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against the Administrative Agent in any way relating to or arising out of the Loan Documents or any action taken or omitted by the Administrative Agent under or in respect of the Loan Documents; provided that the Lenders shall not be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the Administrative Agent's gross negligence or wilful misconduct. Without limiting the generality of the foregoing, each Lender agrees to reimburse the Administrative Agent promptly upon demand for its Applicable Percentage of the Total Commitment of any out-of-pocket expenses (including counsel fees) incurred by the Administrative Agent in connection with the preservation of any rights of the Administrative Agent or the Lenders under, or the enforcement of, or legal advice in respect of rights or responsibilities under, the Loan Documents, but only to the extent that the Administrative Agent is not reimbursed for such expenses by the Borrower.

### 12.22 Sharing of Information

Subject to Section 13.4, the Borrower authorizes the Administrative Agent and each Lender, Swap Lender, Cash Management Lender and Creditcard Lender to share among each other, with any of their Affiliates, and with any successor, assignee or any potential assignee, any information possessed by it regarding a Loan Party or the Credit Documents.

### 12.23 Erroneous Payments by the Administrative Agent

- (a) If the Administrative Agent notifies a Lender or other Secured Party, or any person who has received funds on behalf of a Lender or other Secured Party under or pursuant to any of the Credit Documents (any such Lender, other Secured Party or other recipient, a "**Payment Recipient**") that the Administrative Agent has determined in its sole discretion (whether or not after receipt of any notice under immediately succeeding subsection (2)) that any funds received by such Payment Recipient from the Administrative Agent or any of its Affiliates were erroneously or mistakenly transmitted or paid to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Lender, other Secured Party or other Payment Recipient on its behalf) (any such funds, whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise, individually and collectively, an "**Erroneous Payment**") and demands the return of such Erroneous Payment (or a portion thereof), such Erroneous Payment shall at all times remain the property of the Administrative Agent and shall be segregated by the Payment Recipient and held in trust for the benefit of the Administrative Agent, and such Lender or other Secured Party shall (or, with respect to any Payment Recipient who received such funds on its behalf, shall cause such Payment Recipient to) promptly, but in no event later than two Business Days thereafter, return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made, in same day funds (in the currency so received), together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Administrative Agent in same day funds at the greater of (x) in respect of an Erroneous Payment in U.S. Dollars, the Federal Funds Rate, and in respect of an Erroneous Payment in Canadian Dollars or any other currency, at a fluctuating rate per annum equal to the overnight rate at which Canadian Dollars or funds in the currency of such Erroneous Payment, as the case may be, may be borrowed by the Administrative Agent in the interbank market in an amount comparable to such Erroneous Payment (as determined by the Administrative Agent)

and (y) a rate determined by the Administrative Agent in accordance with banking industry rules or prevailing market practice for interbank compensation from time to time in effect. A notice of the Administrative Agent to any Payment Recipient under this Section 12.23(a) shall be conclusive, absent manifest error, provided that any such interest payable by such Lender or person shall not be reimbursable by the Borrower under Article 11 for any reason.

- (b) Without limiting Section 12.23(a), each Lender or other Secured Party, or any Person who has received funds on behalf of a Lender or other Secured Party under or pursuant to any of the Credit Documents, hereby further agrees that if it receives a payment, prepayment or repayment (whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise) from the Administrative Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment, (y) that was not preceded or accompanied by a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates), or (z) that such Lender or other Secured Party, or other such recipient, otherwise becomes aware was transmitted, paid, or received, in error or by mistake (in whole or in part) in each case:
- (i) (A) in the case of immediately preceding clauses (x) or (y), an error shall be presumed to have been made (absent express written confirmation from the Administrative Agent to the contrary) or (B) an error has been made (in the case of immediately preceding clause (z)), in each case, with respect to such payment, prepayment or repayment; and
- (ii) such Lender or other Secured Party shall (and shall cause any other recipient that receives funds on its respective behalf to) promptly (and, in all events, within one Business Day of its knowledge of such error) notify the Administrative Agent of its receipt of such payment, prepayment or repayment, the details thereof (in reasonable detail) and that it is so notifying the Administrative Agent pursuant to this Section 12.23(b).
- (c) Each Lender or other Secured Party hereby authorizes the Administrative Agent to set-off, net and apply any and all amounts at any time owing to such Lender or other Secured Party under any Credit Document, or otherwise payable or distributable by the Administrative Agent to such Lender or other Secured Party from any source, against any amount due to the Administrative Agent under Section 12.23(a) or under the indemnification provisions of this Agreement.
- (d) In the event that an Erroneous Payment (or portion thereof) is not recovered by the Administrative Agent for any reason, after demand therefor by the Administrative Agent in accordance with Section 12.23(a), from any Lender that has received such Erroneous Payment (or portion thereof) (and/or from any Payment Recipient who received such Erroneous Payment (or portion thereof) on its behalf) (such unrecovered amount, an "**Erroneous Payment Return Deficiency**"), upon the Administrative Agent's notice to such Lender at any time, (a) such Lender shall be deemed to have assigned Borrowings at the time owing to it (but not any of its Commitment) under any of the applicable Facilities with respect to which such Erroneous Payment was made (the "**Erroneous Payment Impacted Facilities**") in an amount equal to the Erroneous Payment Return Deficiency (or such lesser amount as the Administrative Agent may specify) (such assignment of the Borrowings (but not any of its Commitment) of the Erroneous Payment Impacted Facilities, the "**Erroneous Payment Deficiency Assignment**") at par plus any accrued and unpaid interest (with the assignment fee to be waived by the Administrative Agent in such instance), and is hereby (together with the Borrower) deemed to execute and deliver an Assignment and Assumption with respect to such Erroneous Payment Deficiency Assignment, (b) the Administrative Agent as the assignee Lender shall be deemed to acquire the Erroneous Payment Deficiency Assignment, (c)

upon such deemed acquisition, the Administrative Agent as the assignee Lender shall become a Lender hereunder with respect to such Erroneous Payment Deficiency Assignment and the assigning Lender shall cease to be a Lender hereunder with respect to such Erroneous Payment Deficiency Assignment, excluding, for the avoidance of doubt, its obligations under the indemnification provisions of this Agreement and any of its applicable Commitment which shall survive as to such assigning Lender and (d) the Administrative Agent may reflect in the Register its ownership interest in the Borrowings subject to the Erroneous Payment Deficiency Assignment. Subject to Section 13.1(b), the Administrative Agent may, in its discretion, sell any Borrowings acquired pursuant to an Erroneous Payment Deficiency Assignment and, upon receipt of the proceeds of such sale, the Erroneous Payment Return Deficiency owing by the applicable Lender shall be reduced by the net proceeds of the sale of such Borrowings (or portion thereof), and the Administrative Agent shall retain all other rights, remedies and claims against such Lender (and/or against any recipient that receives funds on its respective behalf). For the avoidance of doubt, no Erroneous Payment Deficiency Assignment will reduce the Commitment of any Lender under any of the Facilities and such Commitment under such Facilities shall remain available in accordance with the terms of this Agreement. In addition, each party hereto agrees that, except to the extent that the Administrative Agent has sold a Borrowing (or portion thereof) acquired pursuant to an Erroneous Payment Deficiency Assignment, and irrespective of whether the Administrative Agent may be equitably subrogated, the Administrative Agent shall be contractually subrogated to all the rights and interests of the applicable Lender or other Secured Party under the applicable Credit Documents with respect to each Erroneous Payment Return Deficiency (provided that such contractual subrogation rights shall not be duplicative of any obligations in respect of Loans that have been assigned to the Administrative Agent under an Erroneous Payment Deficiency Assignment) (the "**Erroneous Payment Subrogation Rights**").

- (e) The parties hereto agree that an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by the Borrower or any of its Subsidiaries, except, in each case, to the extent such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by the Administrative Agent from (a) the Borrower or any of its Subsidiaries or (b) the proceeds of realization from the enforcement of one or more of the Credit Documents against or in respect of the Borrower or one or more of its Subsidiaries; provided that, in each case, such funds were received by the Administrative Agent for the purpose of discharging such Obligations.
- (f) To the extent permitted by Applicable Law, no Payment Recipient shall assert any right or claim to an Erroneous Payment, and hereby waives, and is deemed to waive, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Erroneous Payment received, including waiver of any defense based on "discharge for value", "good consideration" for the Erroneous Payment or change of position by such Payment Recipient, any defense that the intent of the Administrative Agent was that such Payment Recipient retain the Erroneous Payment in all events, or any doctrine or defense similar to any of the foregoing.
- (g) Each party's obligations, agreements and waivers under this Section 12.23 shall survive the resignation or replacement of the Administrative Agent, or any assignment or transfer of rights or obligations by, or the replacement of, a Lender or an Affiliate thereof the termination of the Commitments and/or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under any Credit Document (including, for certainty, any Erroneous Payment Subrogation Rights).
- (h) For purposes of this Section 12.23, each Lender:

- (i) agrees it is executing and delivering this Agreement with respect to this Section 12.23 both on its own behalf and as agent for and on behalf of its Affiliates referred to in this Section 12.23 and any person receiving funds under or pursuant to any of the Credit Documents on behalf of such Lender or any of such Affiliates;
- (ii) represents, warrants, covenants and agrees that its Affiliates referred to in this Section 12.23 and any person receiving funds under or pursuant to any of the Credit Documents on behalf of such Lender or any of such Affiliates are bound by the provisions of this Section 12.23; and
- (iii) agrees that any matter or thing done or omitted to be done by such Lender, its Affiliates, or any person receiving funds under or pursuant to any of the Credit Documents on behalf of such Lender or any of such Affiliates which are the subject of this Section 12.23 will be binding upon such Lender and each Lender does hereby indemnify and save the Administrative Agent and its Affiliates harmless from any and all losses, expenses, claims, demands or other liabilities of the Administrative Agent and its Affiliates resulting from the failure of such Lender, its Affiliates or such persons to comply with their obligations under and in respect of this Section 12.23, in each case, in accordance with and subject to the limitations in Section 12.21.

#### **12.24 Amendment to this Article 12**

Save and except for the provisions of Sections 12.6 and 12.21, the provisions of this Article 12 may be amended or added to, from time to time, without the agreement of the Borrower provided such amendment or addition does not adversely affect the rights of the Borrower hereunder or increase, in the aggregate, the liabilities of the Borrower hereunder. A copy of the instrument evidencing such amendment or addition shall be forwarded by the Administrative Agent to the Borrower as soon as practicable following the execution thereof; provided that after an Event of Default a failure to do so by the Administrative Agent shall not render it liable in damages to the Borrower.

#### **12.25 The Administrative Agent, the Fronting Lender and Defaulting Lenders**

- (a) To the extent permitted by Applicable Law, each Defaulting Lender shall be required to provide to the Administrative Agent cash in an amount, as shall be determined from time to time by the Administrative Agent or the Fronting Lender, as the case may be, in its discretion, equal to all obligations of such Defaulting Lender to the Administrative Agent or the Fronting Lender, as the case may be, that are owing or may become owing pursuant to this Agreement, including such Defaulting Lender's obligation to pay its Applicable Percentage of any indemnification, reimbursement or expense reimbursement amounts not paid by the Borrower. Such cash shall be held by the Administrative Agent in one or more cash collateral accounts, which accounts shall be in the name of the Administrative Agent and shall not be required to be interest bearing. The Administrative Agent shall be entitled to apply the foregoing cash in accordance with Section 12.21, in the case of amounts owing to the Administrative Agent or to pay the amounts owing to the Fronting Lender from the Defaulting Lender, in the case of amounts owing to the Fronting Lender pursuant hereto (including pursuant to Section 3.9).
- (b) In addition to the indemnity and reimbursement obligations noted in Section 12.21, the Lenders agree to indemnify the Administrative Agent (to the extent not reimbursed by the Borrower and without limiting the obligations of the Borrower hereunder) rateably according to their respective Applicable Percentages (and in calculating the Applicable Percentage of a Lender, ignoring the Commitments of Defaulting Lenders) any amount that a Defaulting Lender fails to pay the

Administrative Agent and which is due and owing to the Administrative Agent pursuant to Section 12.21. Each Defaulting Lender agrees to indemnify each other Lender for any amounts paid by such Lender and which would otherwise be payable by the Defaulting Lender.

- (c) The Administrative Agent shall be entitled to set off any Defaulting Lender's Applicable Percentage of all payments received from the Borrower against such Defaulting Lender's obligations to make payments and fund Accommodations required to be made by it and to purchase participations required to be purchased by it in each case under this Agreement and the other Loan Documents. To the extent permitted by law, the Administrative Agent shall be entitled to withhold and deposit in one or more non-interest bearing cash collateral accounts in the name of the Administrative Agent all amounts (whether principal, interest, fees or otherwise) received by the Administrative Agent and due to a Defaulting Lender pursuant to this Agreement, for so long as such Lender is a Defaulting Lender, which amounts shall be used by the Administrative Agent:
- (i) first, to reimburse the Administrative Agent for any amounts owing to it, in its capacity as Administrative Agent, by such Defaulting Lender pursuant to any Loan Document;
  - (ii) second, to the payment of any amounts owing by such Defaulting Lender to the Fronting Lender hereunder;
  - (iii) third, to repay on a *pro rata* basis the incremental portion of any Accommodations made by a Lender pursuant to Section 14.2 in order to fund a shortfall created by a Defaulting Lender and, upon receipt of such repayment, each such Lender shall be deemed to have assigned to the Defaulting Lender such incremental portion of such Accommodations;
  - (iv) fourth, to cash collateralize all other obligations of such Defaulting Lender to the Administrative Agent, the Fronting Lender or the Swing Line Lender which are owing pursuant to this Agreement in such amount as shall be determined from time to time by the Administrative Agent, the Fronting Lender or the Swing Line Lender, as the case may be, in its discretion, including such Defaulting Lender's obligation to pay its Applicable Percentage of any indemnification, reimbursement or expense reimbursement amounts not paid by the Borrower; and
  - (v) fifth, to fund from time to time the Defaulting Lender's Applicable Percentage of Lender Outstandings which are Borrowings.
- (d) For greater certainty and in addition to the foregoing, neither the Administrative Agent nor any of its Affiliates nor any of their respective shareholders, officers, directors, employees, agents or representatives shall be liable to any Lender (including a Defaulting Lender) for any action taken or omitted to be taken by it in connection with amounts payable by the Borrower to a Defaulting Lender and received and deposited by the Administrative Agent in a cash collateral account and applied in accordance with the provisions of this Agreement, save and except for the gross negligence or wilful misconduct of the Administrative Agent as determined by a final non-appealable judgement of a court of competent jurisdiction.
- (e) Notwithstanding any other provision hereof to the contrary, so long as any Lender is a Defaulting Lender, the Fronting Lender shall not be obligated to issue any Letter of Credit unless and until the Fronting Lender (or the Administrative Agent on its behalf) has been provided with cash collateral to fully collateralize the Fronting Lender's exposure to each such Defaulting Lender on terms and conditions satisfactory to the Fronting Lender in its discretion, acting reasonably.

**ARTICLE 13**  
**SUCCESSORS AND ASSIGNS, JUDGMENT CURRENCY**  
**AND CONFIDENTIAL INFORMATION**

**13.1 Successors and Assigns**

- (a) **Successors and Assigns Generally:** The provisions of this Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that the Borrower, except to the extent otherwise permitted hereunder, may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent, the Fronting Lender, the Swing Line Lender and each other Lender, and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with Section 13.1(b), (ii) by way of participation in accordance with Section 13.1(d), or (iii) by way of pledge or assignment of a security interest subject to the restrictions of Section 13.1(f) (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in Section 13.1(d) and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.
- (b) **Assignments by Lenders:** Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement and the other Loan Documents (including all or a portion of its Commitment and the Borrowings at the time owing to it); provided that (in each case with respect to any Facility) any such assignment shall be subject to the following conditions:
- (i) **Minimum Amounts:**
- (A) in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and/or the Borrowings at the time owing to it (in each case with respect to any Facility) or contemporaneous assignments to related Approved Funds that equal at least the amount specified in Section 13.1(b)(i)(B) in the aggregate or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and
- (B) in any case not described in Section 13.1(b)(i)(A), the aggregate amount of the Commitment (which for this purpose includes Borrowings outstanding thereunder) or, if the applicable Commitment is not then in effect, the principal outstanding balance of the Borrowings of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date) shall not be less than \$5,000,000 (or the Equivalent Amount in any other currency), unless each of the Administrative Agent and, so long as no Default or Event of Default has occurred and is continuing, the Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed).
- (ii) **Proportionate Amounts:** Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Borrowings or the Commitment assigned, except that this clause (ii)

shall not prohibit any Lender from assigning all or a portion of its rights and obligations among separate Facilities on a non-*pro rata* basis.

- (iii) **Required Consents:** No consent shall be required for any assignment except to the extent required by Section 13.1(b)(i)(B) and, in addition:
  - (A) the consent of the Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (x) a Default or Event of Default has occurred and is continuing at the time of such assignment, or (y) such assignment is to a Lender, an Affiliate of a Lender or an Approved Fund; and
  - (B) the consent of the Administrative Agent and the Fronting Lender (such consent not to be unreasonably withheld or delayed) shall be required for assignments in respect of any Facility if such assignment is to a Person that is not a Lender with a Commitment in respect of such Facility, an Affiliate of such Lender or an Approved Fund with respect to such Lender.
- (iv) **Assignment and Assumption:** The parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee of \$3,500; provided that the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment. The assignee, if it is not a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire.
- (v) **No Assignment to Certain Persons:** No such assignment shall be made to (A) the Borrower or any of the Borrower's Affiliates or Subsidiaries or (B) any Defaulting Lender or any of its Subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (B).
- (vi) **No Assignment to Natural Persons:** No such assignment shall be made to a natural Person.
- (vii) **Certain Additional Payments:** In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrower and the Administrative Agent, the applicable *pro rata* share of Borrowings previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent and each Lender hereunder (and interest and fees accrued thereon), and (y) acquire (and fund as appropriate) its full *pro rata* share of all Borrowings in accordance with its Applicable Percentage. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under Applicable Law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

From and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Article 11 and Section 14.3 with respect to facts and circumstances occurring prior to the effective date of such assignment, provided, that (i) except to the extent otherwise expressly agreed by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender and (ii) no assignment to an Affiliate of an assigning Lender or an Approved Fund of an assigning Lender without the consent of the Borrower (if there is no Default or Event of Default), and the Administrative Agent and the Fronting Lender shall release the assigning Lender of its obligations so assigned. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this paragraph shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with Section 13.1(d).

- (c) **Register:** The Administrative Agent, acting solely for this purpose as an agent of the Borrower, shall maintain at one of its offices in Calgary, Alberta a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts of the Borrowings owing to, each Lender pursuant to the terms hereof from time to time (the "**Register**"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice.
- (d) **Participations:** Any Lender may at any time, without the consent of, or notice to, the Borrower or the Administrative Agent, sell participations to any Person (other than a natural Person or the Borrower or any of the Borrower's Affiliates or Subsidiaries) (each, a "**Participant**") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Borrowings owing to it); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, and (iii) the Borrower, the Administrative Agent and the Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. For the avoidance of doubt, each Lender shall be responsible for the indemnity under Section 12.21 with respect to any payments made by such Lender to its Participant(s).

Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in Section 12.19(a) that affects such Participant. The Borrower agrees that each Participant shall be entitled to the benefits of Sections 11.1, 11.2 and 11.3 (subject to Section 13.1(e)) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 13.1(b); provided that such Participant agrees to be subject to the provisions of Section 11.3 as if it were an assignee under Section 13.1(b). To the extent permitted by law, each Participant also shall be entitled to the



benefits of Section 10.6 as though it were a Lender; provided that such Participant agrees to be subject to Section 12.18 as though it were a Lender.

- (e) **Limitations upon Participant Rights:** A Participant shall not be entitled to receive any greater payment under Sections 11.1 and 11.2 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrower's prior written consent. A Participant that would be a Foreign Lender if it were a Lender shall not be entitled to the benefits of Section 11.2 unless the Borrower is notified of the participation sold to such Participant and such Participant agrees, for the benefit of the Borrower, to comply with Section 11.2(e) as though it were a Lender.
- (f) **Certain Pledges:** Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender; provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

### 13.2 Judgment Currency

If for the purposes of obtaining judgment in any court in any jurisdiction with respect to this Agreement it becomes necessary to convert into the currency of such jurisdiction (herein called the "**Judgment Currency**") any amount due hereunder in any currency other than the Judgment Currency, then such conversion shall be made at the rate of exchange prevailing on the Business Day before the day on which judgment is given. For such purpose, "rate of exchange" means the Spot Rate at which the Administrative Agent on the relevant date at or about 10:00 o'clock a.m. (Calgary time), would be prepared to sell a similar amount of such currency in Calgary, Alberta against the Judgment Currency. In the event that there is a change in the rate of exchange prevailing between the Business Day before the day on which the judgment is given and the date of payment of the amount due, the Borrower shall, on the date of payment, pay such additional amounts (if any) as may be necessary to ensure that the amount paid on such date is the amount in the Judgment Currency which when converted at the rate of exchange prevailing on the date of payment is the amount then due under this Agreement in such other currency. Any additional amount due from the Borrower under this Section 13.2 shall be due as a separate debt and shall not be affected by judgment being obtained for any other sums due under or in respect of this Agreement.

### 13.3 Swap Lender

If any Swap Lender (or its Affiliate, if such Swap Lender is not a Lender) for any reason ceases to be a Lender, such Swap Lender shall continue to be bound by and entitled to the benefit of the terms and conditions hereof in such capacity and entitled to the benefit of the Security until such time as it is no longer a party to the Swaps existing with any Loan Party at the time it (or such Affiliate, if applicable) ceases to be a Lender, with the exception of any indemnities of, or in favour of, such Swap Lender hereunder existing at that time and which shall survive such termination.

### 13.4 Certain Information; Confidentiality

Each of the Administrative Agent and the Lenders agree to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed:

- (a) to its Affiliates and to its Related Parties that are in each case required to have such Information disclosed to them (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential);

- (b) to the extent required or requested by any regulatory authority purporting to have jurisdiction over such Person or its Related Parties (including the Office of the Superintendent of Financial Institutions or similar body and any self-regulatory authority, such as the National Association of Insurance Commissioners);
- (c) to the extent required by Applicable Laws or regulations or by any subpoena or similar legal process;
- (d) to any other party hereto;
- (e) in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder;
- (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights and obligations under this Agreement, or (ii) any actual or prospective party (or its Related Parties) to any swap, derivative or other transaction under which payments are to be made by reference to the Borrower and its obligations, this Agreement or payments hereunder;
- (g) on a confidential basis to any rating agency in connection with rating the Borrower or its Subsidiaries or the Facilities;
- (h) with the consent of the Borrower; or
- (i) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section, or (y) becomes available to the Administrative Agent, any Lender or any of their respective Affiliates on a non-confidential basis from a source other than the Borrower.

For purposes of this Section, "**Information**" means all information received from the Borrower or any of its Subsidiaries relating to the Borrower or any of its Subsidiaries or any of their respective businesses, other than any such information that is available to the Administrative Agent or any Lender on a non-confidential basis prior to disclosure by the Borrower or any of its Subsidiaries; provided that, in the case of information received from the Borrower or any of its Subsidiaries after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

## ARTICLE 14 MISCELLANEOUS

### 14.1 Severability

Any provision of this Agreement which is or becomes prohibited or unenforceable in any jurisdiction does not invalidate, affect or impair the remaining provisions hereof in such jurisdiction and any such prohibition or unenforceability in any jurisdiction does not invalidate or render unenforceable such provision in any other jurisdiction.

## 14.2 Defaulting Lenders

- (a) **Termination of Defaulting Lender:** The Borrower may terminate the unused amount of the Commitment of any Lender that is a Defaulting Lender upon not less than 10 Business Days' prior notice to the Administrative Agent (which shall promptly notify the Lenders thereof), and in such event the provisions of Section 14.2(b)(ii) will apply to all amounts thereafter paid by the Borrower for the account of such Defaulting Lender under this Agreement (whether on account of principal, interest, fees, indemnity or other amounts); provided that (i) no Event of Default shall have occurred and be continuing, and (ii) such termination shall not be deemed to be a waiver or release of any claim the Borrower, the Administrative Agent or any Lender may have against such Defaulting Lender.
- (b) **Defaulting Lender Adjustments:** Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as such Lender is no longer a Defaulting Lender, to the extent permitted by Applicable Law:
- (i) **Waivers and Amendments:** Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of Majority Lenders. A Defaulting Lender shall not be included in determining whether all Lenders have taken or may take any action hereunder (including any consent to any amendment or waiver pursuant to Section 12.19), provided that any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender that (A) materially and adversely affects such Defaulting Lender differently than other affected Lenders, (B) increases the Commitment or extends the Maturity Date of such Defaulting Lender, or (C) relates to the matters set forth in Sections 12.19(a)(i), 12.19(a)(ii), 12.19(a)(iii), 12.19(a)(iv) (in so far as it relates to the Commitment of such Defaulting Lender), 12.19(a)(v), 12.19(a)(vi), 12.19(a)(vii) and 12.19(a)(x), shall require the consent of such Defaulting Lender. For the avoidance of doubt, the Borrower shall retain and reserve its other rights and remedies respecting each Defaulting Lender.
- (ii) **Defaulting Lender Waterfall:** Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article 10 or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 10.6 shall be applied at such time or times as may be determined by the Administrative Agent as follows:
- (A) first, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder;
- (B) second, as the Borrower may request (so long as no Default or Event of Default exists), to the funding of any Accommodation in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent;
- (C) third, if so determined by the Administrative Agent and the Borrower, to be held in a deposit account and released *pro rata* in order to satisfy such Defaulting Lender's potential future funding obligations with respect to Accommodations under this Agreement;
- (D) fourth, to the payment of any amounts owing to the Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender against such

Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement;

- (E) fifth, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and
- (F) sixth, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction,

provided that if (x) such payment is a payment of the principal amount of any Borrowings in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Borrowings were made at a time when the conditions set forth in Section 8.2, 8.3, 8.4 or 8.5, as applicable, were satisfied or waived, such payment shall be applied solely to pay the Borrowings of all Non-Defaulting Lenders on a *pro rata* basis prior to being applied to the payment of any Borrowings of such Defaulting Lender until such time as all Accommodations are funded. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender pursuant to this Section 14.2(b)(ii) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

- (iii) **Certain Fees:** The standby fees payable pursuant to Section 5.10 shall cease to accrue on the unused portion of the Commitment of such Defaulting Lender.
- (c) **Defaulting Lender Cure:** If the Borrower, the Administrative Agent, the Fronting Lender and the Swing Line Lender agree in writing that a Lender is no longer a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein, that Lender will, to the extent applicable, purchase at par that portion of outstanding Borrowings of the other Lenders under the applicable Facility or take such other actions as the Administrative Agent may determine to be necessary to cause the Borrowings under such Facility, funded and unfunded participations in Letters of Credit and Swing Line Borrowings to be held *pro rata* by the Lenders in accordance with the Commitments under such Facility, whereupon such Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender having been a Defaulting Lender.
- (d) **Exclusion:** For greater certainty and in addition to the foregoing, neither the Administrative Agent nor any of its Affiliates nor any of their respective shareholders, officers, directors, employees, agents or representatives shall be liable to any Lender (including a Defaulting Lender) for any action taken or omitted to be taken by it in connection with amounts payable by the Borrower to a Defaulting Lender and received and deposited by the Administrative Agent in a cash collateral account and applied in accordance with the provisions of this Agreement, save and except for the gross negligence or wilful misconduct of the Administrative Agent as determined by a final non-appealable judgment of a court of competent jurisdiction.
- (e) **Funding of Defaulting Lender's Share:** If the Administrative Agent has actual knowledge that a Lender is a Defaulting Lender at the time that the Administrative Agent receives (i) a Borrowing

Notice or (ii) a Conversion Notice that will result in a currency conversion, then each other Lender shall fund its Applicable Percentage of such affected Accommodation under the applicable Facility (and, in calculating such Applicable Percentage, the Administrative Agent shall ignore the Commitment of each such Defaulting Lender under such Facility); provided that, for certainty, no Lender shall be obligated by this Section (e) to make or provide Accommodations in excess of its Commitment under the applicable Facility. If the Administrative Agent acquires actual knowledge that a Lender is a Defaulting Lender at any time after the Administrative Agent received (i) a Borrowing Notice or (ii) a Conversion Notice that will result in a currency conversion, then the Administrative Agent shall promptly notify the Borrower that such Lender is a Defaulting Lender (and such Lender shall be deemed to have consented to such disclosure). Each Defaulting Lender agrees to indemnify each other Lender for any amounts funded or paid by such Lender under this Section (e) and which would otherwise have been funded or paid by the Defaulting Lender if its Commitment under any Facility had been included in determining the Applicable Percentage of such affected Accommodations under the such Facility.

### 14.3 Expenses, Indemnity, Damage Waiver

- (a) **Borrower Deliverables:** All statements, reports (including environmental reports), certificates, opinions and other documents or information (including evidence of insurance evidencing compliance with Section 9.1(e)) required to be furnished to the Administrative Agent or the Lenders or by any other Loan Party under this Agreement shall be supplied by the Borrower without cost to the Administrative Agent or any Lender.
- (b) **Reimbursement:** The Borrower shall pay (i) all reasonable out-of-pocket expenses incurred by the Administrative Agent (including the reasonable fees, charges and disbursements of legal counsel for the Administrative Agent on a solicitor and his own client basis and any other expert or professional costs and fees incurred in relation to the Facilities), in connection with the syndication of the Facilities, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Loan Documents, or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), and (ii) all out-of-pocket expenses incurred by the Administrative Agent or any Lender (including the fees, charges and disbursements of any counsel for the Administrative Agent or any Lender), in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Loan Documents, including its rights under this Section 14.3, or (B) in connection with the Accommodations hereunder, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Accommodations.
- (c) **General Indemnity:** The Borrower shall indemnify the Administrative Agent (and any sub-agent thereof) and each Lender, each Swap Lender, each Cash Management Lender, each Creditcard Lender and each Related Party of any of the foregoing Persons (each such Person being called an "Indemnatee") against, and hold each Indemnatee harmless from, any and all losses, claims, damages, liabilities and related expenses (including the fees, charges and disbursements of any counsel for any Indemnatee), incurred by any Indemnatee or asserted against any Indemnatee by any Person (including the Borrower or any other Loan Party) other than such Indemnatee and its Related Parties arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby, (ii) any Accommodation or the use or proposed use of the proceeds therefrom (including any refusal by the Fronting Lender to honour a demand for payment under a Letter of Credit if the documents

presented in connection with such demand do not strictly comply with the terms of such Letter of Credit), or (iii) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Borrower or any other Loan Party, and regardless of whether any Indemnitee is a party thereto; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses (x) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or wilful misconduct (whether in respect of acts or omissions) of such Indemnitee or (y) result from a claim brought by the Borrower or any other Loan Party against an Indemnitee for breach in bad faith of such Indemnitee's obligations hereunder or under any other Loan Document, if the Borrower or such Loan Party has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction.

- (d) **Reimbursement by Lenders:** To the extent that the Borrower for any reason fails to indefeasibly pay any amount required under paragraph (a) or (b) of this Section to be paid by it to the Administrative Agent (or any sub-agent thereof) or any Related Party of any of the foregoing, each Lender severally agrees to pay to the Administrative Agent (or any such sub-agent) or such Related Party, as the case may be, such Lender's *pro rata* share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought based on each Lender's Applicable Percentage of the Total Commitment at such time) of such unpaid amount (including any such unpaid amount in respect of a claim asserted by such Lender); provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent (or any such sub-agent) or against any Related Party of any of the foregoing acting for the Administrative Agent (or any such sub-agent), in connection with such capacity. The obligations of the Lenders under this paragraph (d) are subject to Section 12.11.
- (e) **Waiver of Consequential Damages, Etc.:** To the fullest extent permitted by Applicable Law, the Borrower shall not assert, and hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Accommodation, or the use of the proceeds thereof. No Indemnitee referred to in paragraph (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby.
- (f) **Payments:** All amounts due under this Section shall be payable promptly, and in any event within five (5) Business Days, after demand therefor.
- (g) **Survival:** Each party's obligations under this Section shall survive the termination of the Loan Documents and payment of the obligations hereunder.

#### 14.4 Failure to Act

No failure, omission or delay on the part of the Administrative Agent, any Lender or any Swap Lender in exercising any right, power or privilege hereunder shall impair such right, power or privilege or operate as a waiver thereof nor shall any single or partial exercise of any right, power or privilege preclude any further exercise thereof or the exercise of any other right, power or privilege.

#### 14.5 Waivers

No breach of any of the provisions of any of the Loan Documents may be waived or discharged verbally; any such waiver or discharge may only be made by way of an instrument in writing signed by either the Administrative Agent on behalf of the Lenders or the Majority Lenders, as applicable, and, if required by the Administrative Agent, the Loan Parties, and such waiver or discharge will then be effective only in the specific instance, for the specific purpose and for the specific length of time for which it is given. Any such waiver or discharge which affects the rights of the Administrative Agent may only be made by way of an instrument in writing signed by the Administrative Agent.

#### 14.6 Amendments

No provision of the Loan Documents may be amended verbally and any such amendment may only be made by way of an instrument in writing signed (subject to Section 12.24) by the Borrower, the Administrative Agent and the Lenders required by Section 12.19.

#### 14.7 Notice

(a) **Notices Generally:** Except as provided in paragraph (b) below, all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by email as follows:

- (i) if to the Borrower, to it at 28712 – 114 Ave, Acheson, Alberta, T7X 6E6, Attention: Bryn Jones, Chief Financial Officer (Email: bryn.jones@kmcmining.com), with a copy to: McLennan Ross LLP 600, McLennan Ross Building, 12220 Stony Plain Road, Edmonton, Alberta, T5N 3Y4, Attention: Pat Haughian (Email: pat.haughian@mross.com);
- (ii) if to the Administrative Agent, to ATB at Suite 410, 585 - 8<sup>th</sup> Avenue S.W., Calgary, Alberta, T2P 1G1, Attention: Head of Syndications Agency, Loan Syndications (Email: syndications.agency@atb.com); and
- (iii) if to a Lender, to it at its address (including email address) set forth in Schedule "A" hereto.

Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by email shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient). Notices delivered through electronic communications, to the extent provided in paragraph (b) below, shall be effective as provided in said paragraph (b).

(b) **Electronic Communications:** Notices and other communications to the Lenders, the Swing Line Lender or the Fronting Lender hereunder may be delivered or furnished by electronic communication (including email and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender, the Swing Line Lender or the Fronting Lender if such Lender, Swing Line Lender or Fronting Lender has notified the Administrative Agent that it is incapable of receiving notices by electronic communication. The Administrative Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes, notices and other communications sent to an email address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return email or other written acknowledgement), and notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its email address as described in the foregoing paragraph (a) of notification that such notice or communication is available and identifying the website address therefor, provided that, if such notice, email or other communication is not sent within normal business hours of the recipient, such notice or other communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient.

(c) **Change of Address, etc.:** Any party hereto may change its address for notices and other communications hereunder by notice to the other parties hereto.

(d) **Platform:**

(i) The Borrower agrees that the Administrative Agent may, but shall not be obligated to, make the Communications (as defined below) available to the Lenders, the Swing Line Lender and the Fronting Lender by posting the Communications on Debt Domain, Intralinks, Syndtrak or a substantially similar electronic transmission system (the "**Platform**").

(ii) The Platform is provided "as is" and "as available." The Administrative Agent Parties (as defined below) do not warrant the adequacy of the Platform and expressly disclaim liability for errors or omissions in the Communications. No warranty of any kind, express, implied or statutory, including any warranty of merchantability, fitness for a particular purpose, non-infringement of third-party rights or freedom from viruses or other code defects, is made by any Administrative Agent Party in connection with the Communications or the Platform. In no event shall the Administrative Agent or any of its Related Parties (collectively, the "**Administrative Agent Parties**") have any liability to the Borrower or the other Loan Parties, any Lender or any other Person or entity for damages of any kind, including direct or indirect, special, incidental or consequential damages, losses or expenses (whether in tort, contract or otherwise) arising out of the Borrower's, any Loan Party's or the Administrative Agent's transmission of communications through the Platform. "**Communications**" means, collectively, any notice, demand, communication, information, document or other material that the Borrower or any Loan Party provides to the Administrative Agent pursuant to any Loan Document or the transactions contemplated therein which is distributed to the Administrative Agent, the Fronting Lender, the Swing Line Lender or any Lender by means of electronic communications pursuant to this Section, including through the Platform.

#### **14.8 Governing Law**

The parties agree that this Agreement is conclusively deemed to be made under, and for all purposes to be governed by and construed in accordance with, the laws of the Province of Alberta and of Canada applicable therein. There shall be no application of any conflict of law or other rules which would result in any laws other than internal laws in force in the Province of Alberta applying to this Agreement. The parties hereto do hereby irrevocably submit and attorn to the non-exclusive jurisdiction of the courts of the Province of Alberta for all matters arising out of or relating to this Agreement or any other Loan Document, or any of the transactions contemplated hereby or by any thereof, without prejudice to the rights of the Administrative Agent or any Lender to take proceedings in other jurisdictions.



**14.9 Term of Agreement and Survival**

This Agreement and all covenants, undertakings, agreements, representations and warranties shall continue and survive until the termination of all Loan Documents such that thereafter there is not nor can there be any Borrowings, Lender Outstandings or Swap Indebtedness arising under any Loan Document. Notwithstanding the foregoing, the indemnities in Sections 9.1(l) and 14.3(c) shall survive any such termination.

**14.10 Time of Essence**

Time shall be of the essence of this Agreement.

**14.11 Anti-Money Laundering/Know Your Customer Laws**

- (a) Each Lender and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Borrower that pursuant to the requirements of Anti-Money Laundering/ Anti- Terrorist Financing Laws and "know your client" Applicable Laws (collectively, including any guidelines or orders thereunder, "AML/KYC Legislation"), it may be required to obtain, verify and record information that identifies the Borrower and its Subsidiaries, which information includes the name and address of each such person and such other information that will allow such Lender or the Administrative Agent, as applicable, to identify each such person in accordance with AML/KYC Legislation (including, information regarding such person's directors, authorized signing officers, or other persons in control of each such person). The Borrower shall promptly provide and cause its Subsidiaries to provide all such information, including supporting documentation and other evidence, as may be reasonably requested by any Lender or the Administrative Agent (for itself and not on behalf of any Lender), or any prospective assignee or participant of a Lender or the Administrative Agent, in order to comply with any applicable AML/KYC Legislation and any Lender's "know your customer" policies and other similar identification and verification procedures, whether now or hereafter in existence.
- (b) If, upon the written request of any Lender, the Administrative Agent has ascertained the identity of the Borrower or any Subsidiary or any authorized signatories of such person for the purposes of applicable AML/KYC Legislation on such Lender's behalf, then the Administrative Agent:
- (i) shall be deemed to have done so as an agent for such Lender, and this Agreement shall constitute a "written agreement" in such regard between such Lender and the Administrative Agent within the meaning of applicable AML/KYC Legislation; and
  - (ii) shall provide to such Lender copies of all information obtained in such regard without any representation or warranty as to its accuracy or completeness.
- (c) Notwithstanding anything to the contrary in this Section 14.11, each of the Lenders agrees that the Administrative Agent has no obligation to ascertain the identity of the Borrower or any Subsidiary any authorized signatories of such person, on behalf of any Lender, or to confirm the completeness or accuracy of any information it obtains from any such person or any such authorized signatory in doing so.

**14.12 Conflict with Other Documents**

In the event there is a conflict or inconsistency as to any matter between the provisions hereof and the provisions of any other Loan Document, the provisions of this Agreement shall prevail to

the extent of such conflict or inconsistency; provided that for the purposes of this Section 14.12 there shall not be considered to be a conflict or inconsistency between any provision hereof and any provision of any other Loan Document merely because such Loan Document does, and this Agreement does not, deal with the particular matter.

#### **14.13 Saskatchewan Legislation**

The *Land Contracts (Actions) Act* of the Province of Saskatchewan shall have no application to any action, as defined in *The Land Contracts (Actions) Act*, with respect to this Agreement or the other Loan Documents and *The Limitation of Civil Rights Act* of the Province of Saskatchewan shall have no application to this Agreement or the other Loan Documents. The Borrower agrees that the provisions of both *The Land Contracts (Actions) Act* (Saskatchewan) and *The Limitation of Civil Rights Act* (Saskatchewan) are hereby waived.

#### **14.14 Acknowledgement and Consent to Bail-In of Affected Financial Institutions**

Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

- (a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and
- (b) the effects of any Bail-In Action on any such liability, including, if applicable:
  - (i) a reduction in full or in part or cancellation of any such liability;
  - (ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or
  - (iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

#### **14.15 Counterparts; Integration, Effectiveness; Electronic Execution**

This Agreement and each other Loan Document may be executed in one or more counterparts (and by different parties in separate counterparts), each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same instrument. Delivery by electronic transmission of an executed counterpart of a signature page to this Agreement and each other Loan Document shall be effective as delivery of an original executed counterpart of this Agreement and such other Loan Document. The words "execution," "execute," "signed," "signature," and words of like import in or related to any document to be signed in connection with this Agreement or any other Loan Document shall be deemed to include electronic signatures, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper based recordkeeping system, as the case may be, to the extent and

as provided for in any Applicable Law, including, without limitation, as in provided Parts 2 and 3 of the *Personal Information Protection and Electronic Documents Act* (Canada), the *Electronic Commerce Act, 2000* (Ontario), the *Electronic Transaction Act* (British Columbia), the *Electronic Transactions Act* (Alberta), or any other similar laws based on the Uniform Electronic Commerce Act of the Uniform Law Conference of Canada. The Administrative Agent may, in its discretion, require that any such documents and signatures executed electronically or delivered by electronic transmission be confirmed by a manually-signed original thereof; provided that the failure to request or deliver the same shall not limit the effectiveness of any document or signature executed electronically or delivered by electronic transmission.

**[remainder of page intentionally left blank]**

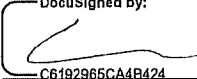
IN WITNESS WHEREOF the parties hereto have caused this Agreement to be duly executed on the date and year first above written.

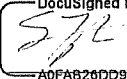
**KMC MINING CORPORATION**

Per:   
Name: DANIEL KLEMKE  
Title: EXECUTIVE CHAIRMAN

Per: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

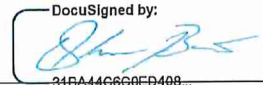
**ATB FINANCIAL, as Administrative Agent**

DocuSigned by:  
  
Per: \_\_\_\_\_  
Name: Chris Borowski  
Title: Director - Loan Syndications

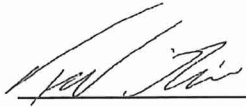
DocuSigned by:  
  
Per: \_\_\_\_\_  
Name: Sean Tyler  
Title: Associate Director - Loan Syndications

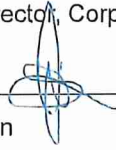
**ATB FINANCIAL, as Lender**

DocuSigned by:  
  
92A38897D996435...  
Per: \_\_\_\_\_  
Name: Tyler Malden  
Title: Managing Director


DocuSigned by:  
  
91BA44C660ED408...  
Per: \_\_\_\_\_  
Name: Shawn Bunnin  
Title: Senior Director

**CANADIAN WESTERN BANK, as Lender**

Per:   
Name: \_\_\_\_\_  
Name: Ted Bobier  
Title: Associate Director, Corporate Banking

Per:   
Name: \_\_\_\_\_  
Name: John Cherian  
Title: MD & Head, Corporate Banking,  
Loan Syndications & Agency


**EXPORT DEVELOPMENT CANADA, as  
Lender**


Per:   
Name: Brent Kolodychuk  
Title: Senior Financing Manager

Per:   
Name: Geraldine Waffo  
Title: Financing Manager



**LAURENTIAN BANK OF CANADA, as Lender**

Per:   
Name: Michelle Colivas  
Title: Senior Portfolio Manager, Syndication

Per:   
Name: Aaron Adinata  
Title: Director, Loan Syndication & Sponsor Coverage

**Schedule "A" to the Credit Agreement dated August 13, 2024 among KMC MINING CORPORATION, as Borrower, and a syndicate of Lenders with ATB FINANCIAL, as Administrative Agent**

**COMMITMENTS AND ADDRESSES**

<b>Lender</b>	<b>Term Facility Commitment</b>		<b>Delayed Draw Facility Commitment</b>	<b>Capex Facility Commitment</b>	<b>Operating Facility Commitment</b>	<b>Swing Line Commitment</b>
	<b>Initial Term Accommodations</b>	<b>Deferred Term Accommodations</b>				
<b>ATB Financial</b> Suite 600, 585 8 <sup>th</sup> Ave SW Calgary, Alberta T2P 1G1  <i>Attention:</i> Director, Diversified Industries, Growth & Innovation <i>Email:</i> syndications.agency@atb.com	Cdn.\$32,906,250	Cdn.\$9,343,750	Cdn.\$6,500,000	Cdn.\$8,125,000	Cdn.\$8,125,000	
<b>Canadian Western Bank</b> 606 – 4th St SW Calgary, Alberta T2P 1T1  <i>Attention:</i> Associate Director, Corporate Banking <i>Email:</i> Ted.Bobier@cwbank.com	Cdn.\$20,250,000	Cdn.\$5,750,000	Cdn.\$4,000,000	Cdn.\$5,000,000	Cdn.\$5,000,000	
<b>Export Development Canada</b> 150 Slater Street Ottawa, Ontario K1A 1K3	Cdn.\$15,187,500	Cdn. \$4,312,500	Cdn. \$3,000,000	Cdn. \$3,750,000	Cdn. \$3,750,000	

<sup>1</sup> Swing Line Commitment forms a subset of the Operating Facility Commitment.

<sup>2</sup> Fronted LC Commitment forms a subset of the Operating Facility Commitment.

*Attention:* Senior  
Financing Manager  
*Email:* BKolodychuk@edc.  
ca

<b>Laurentian Bank of Canada</b> 199 Bay Street Suite 600 PO Box 279 STN Commerce Court Toronto, Ontario MSL 0A2	Cdn.\$12,656,250	Cdn.\$3,593,750	Cdn.\$2,500,000	Cdn.\$3,125,000	Cdn.\$3,125,000
--	------------------	-----------------	-----------------	-----------------	-----------------

*Attention:* Director, Loan  
Syndication & Sponsor  
Coverage  
*Email:* aaron.adinata@laure  
ntianbank.ca

<b>Total:</b>	<b>Cdn.\$81,000,000</b>	<b>Cdn.\$23,000,000</b>	<b>Cdn.\$16,000,000</b>	<b>Cdn.\$20,000,000</b>	<b>Cdn.\$20,000,000</b>	<b>Cdn.</b>
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**Schedule "B" to the Credit Agreement dated August 13, 2024 among  
KMC MINING CORPORATION, as Borrower, and a syndicate of  
Lenders with ATB FINANCIAL, as Administrative Agent**

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**FORM OF BORROWING NOTICE**

TO: ATB Financial ("ATB"), as Administrative Agent, Swing Line Lender and Fronting Lender

RE: Credit Agreement (the "**Credit Agreement**") dated August 13, 2024 among KMC Mining Corporation (the "**Borrower**"), ATB and those other financial institutions which are or hereafter become lenders thereunder (the "**Lenders**"), and ATB, as administrative agent for the Lenders (the "**Administrative Agent**")

DATE: \_\_\_\_\_, 20\_\_

1. The Drawdown Date is \_\_\_\_\_, 20\_\_.
2. Pursuant to Section [3.6 or 3.14] of the Credit Agreement, the undersigned hereby irrevocably requests that the following Accommodations be made available under the applicable Facility:

**Term Facility:**

TYPE OF ACCOMMODATION	PRINCIPAL AMOUNT	TERM
Prime Loan	_____	N/A
CORRA Loans	_____	_____
U.S. Base Rate Loans	_____	N/A
SOFR Loans	_____	_____

**Delayed Draw Facility:**

TYPE OF ACCOMMODATION	PRINCIPAL AMOUNT	TERM
Prime Loan	_____	N/A
CORRA Loans	_____	_____
U.S. Base Rate Loans	_____	N/A
SOFR Loans	_____	_____

**Capex Facility:**

TYPE OF ACCOMMODATION	PRINCIPAL AMOUNT	TERM
Prime Loan	_____	N/A
CORRA Loans	_____	_____
U.S. Base Rate Loans	_____	N/A
SOFR Loans	_____	_____

**Operating Facility:**

TYPE OF ACCOMMODATION	PRINCIPAL AMOUNT	TERM
Prime Loan	_____	N/A
CORRA Loans	_____	_____
U.S. Base Rate Loans	_____	N/A
SOFR Loans	_____	_____
Letters of Credit	_____	_____

**Swing Line:**

TYPE OF ACCOMMODATION	PRINCIPAL AMOUNT	TERM
Prime Loan (Overdraft)	_____	N/A
Prime Loan	_____	N/A
U.S. Base Rate Loan	_____	N/A

3. As of the date of this Borrowing Notice, no Default, Event of Default or Borrowing Base Shortfall has occurred and is continuing and each of the representations and warranties of the Borrower deemed to be made by the Borrower pursuant to Section 2.2 of the Credit Agreement (other than those made as of a specific date) are, as of the date of such request, and will be, as of the applicable Drawdown Date, true and correct.
4. Capitalized terms used herein and not otherwise defined herein have the meanings given to them by the Credit Agreement.

DATED at Calgary, Alberta effective the date and year first above written.

**KMC MINING CORPORATION**

Per: \_\_\_\_\_  
Name:  
Title:

Per: \_\_\_\_\_  
Name:  
Title:

**Schedule "C" to the Credit Agreement dated August 13, 2024 among  
KMC MINING CORPORATION, as Borrower, and a syndicate of  
Lenders with ATB FINANCIAL, as Administrative Agent**

---

**FORM OF ROLLOVER NOTICE OR NOTICE OF  
CONVERSION OR NOTICE OF REPAYMENT**

TO: ATB Financial ("ATB"), as Administrative Agent and Swing Line Lender

RE: Credit Agreement (the "Credit Agreement") dated August 13, 2024 among KMC Mining Corporation (the "Borrower"), ATB and those other financial institutions which are or hereafter become lenders thereunder (the "Lenders"), and ATB, as administrative agent for the Lenders (the "Administrative Agent")

DATE: \_\_\_\_\_, 20\_\_

Capitalized terms used herein and not otherwise defined herein have the meanings given to them by the Credit Agreement.

1. Pursuant to Section 3.10 (Repayment), 3.12 (Conversion) and 3.13 (Rollover) of the Credit Agreement, the undersigned hereby irrevocably notifies the Administrative Agent/Swing Line Lender that it will be:

(a) rolling over part or all of the Accommodation described as:

Facility: Term/ Delayed Draw/ Capex/ Operating

Type of Accommodation:

\*Principal Amount:

Date of Maturity:

into the same Accommodation described as:

Date of Maturity:

\* if only part of maturing Accommodation is rolled over, please indicate.

or;

(b) converting part or all of the Accommodation described as:

Facility: Term/ Delayed Draw/ Capex/ Operating

Type of Accommodation:

\*Principal Amount if applicable:

Date of Maturity:

into an Accommodation described as:

\* if only part of maturing Accommodation is converted, please indicate.

Type of Accommodation:

\*Principal Amount:

Date of Maturity:

(c) Repaying part or all of the Accommodation described as:

Facility: Term/ Delayed Draw/ Capex/ Operating

Type of Accommodation:

\*Principal Amount:

Date of Maturity or Repayment:

\* if only part of maturing Accommodation is being repaid, please indicate the applicable amount being repaid including the details provided above in respect thereof and whether the balance will be rolled over or Converted.

2. This Notice is irrevocable.
3. No Default, Event of Default or Borrowing Base Shortfall has occurred and is continuing.

DATED at Calgary, Alberta effective the date and year first above written.

**KMC MINING CORPORATION**

Per: \_\_\_\_\_  
Name:  
Title:

Per: \_\_\_\_\_  
Name:  
Title:



**Schedule "D" to the Credit Agreement dated August 13, 2024 among  
KMC MINING CORPORATION, as Borrower, and a syndicate of  
Lenders with ATB FINANCIAL, as Administrative Agent**

---

**FORM OF COMPLIANCE CERTIFICATE**

TO: ATB Financial ("ATB"), as Administrative Agent

RE: Credit Agreement (the "Credit Agreement") dated August 13, 2024 among KMC Mining Corporation (the "Borrower"), ATB and those other financial institutions which are or hereafter become lenders thereunder (the "Lenders"), and ATB, as administrative agent for the Lenders (the "Administrative Agent").

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I, \_\_\_\_\_, of the City of Calgary, in the Province of Alberta, hereby certify as follows:

1. I am the [insert title of senior officer] of KMC Mining Corporation.
  2. This Certificate applies to the [Fiscal Year/Fiscal Quarter] ending \_\_\_\_\_.
  3. I am familiar with and have examined the provisions of the Credit Agreement and have made such reasonable investigations of corporate records and inquiries of other officers and senior personnel of the Borrower and its agents as I have deemed necessary for purposes of this Certificate.
  4. Except where the context otherwise requires, all capitalized terms used herein have the same meaning as in the Credit Agreement.
  5. The Swap Indebtedness of the Loan Parties, in the aggregate, as at the last day of the [Fiscal Quarter/Year] most recently ended is as follows:
    - Interest Swaps - Cdn. \$ \_\_\_\_\_, and the notional amount swapped thereunder is Cdn. \$ \_\_\_\_\_ which represents \_\_\_\_% of the aggregate amount of the Term Borrowings as at the Effective Date.
- The foregoing amounts of Swap Indebtedness were calculated by the Borrower on a Mark-to-Market basis (separately for each Lender and then aggregating amounts so calculated) as at the end of the [Fiscal Quarter/Year] most recently ended.
6. As of the last day of the above referenced [Fiscal Quarter/Fiscal Year]:
    - (a) the Senior Net Debt to EBITDA Ratio was \_\_\_\_\_ to 1.00; and
    - (b) the Fixed Charge Coverage Ratio was \_\_\_\_\_ to 1.00.
  7. [As of the last day of the above referenced Fiscal Year, our Excess Cash Flow was \$ \_\_\_\_\_ and the amount of the anticipated Excess Cash Flow Repayment is \$ \_\_\_\_\_.]<sup>3</sup>

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<sup>3</sup> NTD: Include for purposes of *annual* Compliance Certificates only, otherwise delete.

Attached hereto are the detailed particulars of the manner in which the ratios referenced in paragraph[s] 6 [ and 7] above were calculated.

8. **[Attached hereto is an updated Schedule "H" to the Credit Agreement]/[The information set forth in Schedule "H" to the Credit Agreement is true and correct as at the date hereof.]<sup>4</sup>**
9. **[Attached hereto is an updated Schedule "I" to the Credit Agreement]/[The information set forth in Schedule "I" to the Credit Agreement is true and correct as at the date hereof.]<sup>5</sup>**
10. This Certificate is given by the undersigned officer in his or her capacity as an officer of the Borrower and not in any personal capacity without any personal liability being assumed by the undersigned officer in respect of the giving of this Certificate.

DATED this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**KMC MINING CORPORATION**

Per: \_\_\_\_\_  
Name:  
Title:

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<sup>4</sup> NTD: Include for purposes of annual Compliance Certificates only, otherwise delete.

<sup>5</sup> NTD: Include for purposes of annual Compliance Certificates only, otherwise delete.

**Schedule "E" to the Credit Agreement dated August 13, 2024 among  
KMC MINING CORPORATION, as Borrower, and a syndicate of  
Lenders with ATB FINANCIAL, as Administrative Agent**

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**FORM OF REQUEST FOR EXTENSION**

Date: \_\_\_\_\_

ATB Financial, as Administrative Agent  
Suite 410, 585 - 8th Avenue S.W.  
Calgary, Alberta T2P 1G1

Email: syndications.agency@atb.com

Attention: Head of Syndications Agency,  
Loan Syndications

Ladies and Gentlemen:

**Re: KMC Mining Corporation**

We refer to the Credit Agreement dated August 13, 2024 among KMC Mining Corporation, as borrower, and a syndicate of lenders with ATB Financial, as Administrative Agent (as the same may be amended, renewed, extended, modified and/or restated to the date hereof, the "**Credit Agreement**"). Capitalized terms used herein have the same meaning as in the Credit Agreement.

In accordance with Section 3.4 of the Credit Agreement, we hereby request that the Lenders each provide an offer to extend its Maturity Date for a period of [●], from [●], 20[●] to [●], 20[●].

We hereby certify that:

1. except as disclosed to the Administrative Agent in writing, the representations and warranties contained in Section 2.1 of the Credit Agreement (subject to Section 2.2 thereof) are and will be true and correct on the date hereof and on the date of extension, as applicable, with the same effect as if such representations and warranties were made on the date hereof; and
2. there exists no Default, Event of Default or Borrowing Base Shortfall.

Yours very truly,

**KMC MINING CORPORATION**

Per: \_\_\_\_\_  
Name:  
Title:

**Schedule "F" to the Credit Agreement dated August 13, 2024 among  
KMC MINING CORPORATION, as Borrower, and a syndicate of  
Lenders with ATB FINANCIAL, as Administrative Agent**

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**FORM OF ASSIGNMENT AND ASSUMPTION**

This Assignment and Assumption (the "**Assignment and Assumption**") is dated as of the effective date set forth below (the "**Effective Date**") and is entered into by and between **[the] [each]**<sup>6</sup> Assignor identified in item 1 below (**[the] [each, an] "Assignor"**) and **[the] [each]**<sup>7</sup> Assignee identified in item 2 below (**[the] [each, an] "Assignee"**). **[It is understood and agreed that the rights and obligations of [the Assignors] [the Assignees]<sup>8</sup> hereunder are several and not joint.]**<sup>9</sup> Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (as amended, the "**Credit Agreement**"), receipt of a copy of which is hereby acknowledged by **[the] [each]** Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, **[the] [each]** Assignor hereby irrevocably sells and assigns to **[the Assignee] [the respective Assignees]**, and **[the] [each]** Assignee hereby irrevocably purchases and assumes from **[the Assignor][the respective Assignors]**, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below (i) all of **[the Assignor's] [the respective Assignors']** rights and obligations in **[its capacity as a Lender][their respective capacities as Lenders]** under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of **[the Assignor] [the respective Assignors]** under the respective facilities identified below (including any letters of credit and guarantees included in such facilities), and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of **[the Assignor (in its capacity as a Lender)] [the respective Assignors (in their respective capacities as Lenders)]** against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned by **[the] [any]** Assignor to **[the] [any]** Assignee pursuant to clauses (i) and (ii) above being referred to herein collectively as **[the] [an] "Assigned Interest"**); provided that if Letters of Credit or Swing Line Borrowings accepted by the Assignor remain outstanding on such date, such Letters of Credit and Swing Line Borrowings shall remain the liability and obligation of the Assignor and the Assignor shall be entitled to all of the rights, titles and benefits arising out of the Credit Agreement and the other Loan Documents with respect to such Letters of Credit and Swing Line Borrowings (including reimbursement rights); provided, however, that the Assignee shall indemnify the Assignor and hold the Assignor harmless from and against any losses or costs paid or incurred by the Assignor in connection with such Letters of Credit or Swing Line Borrowings (other than losses or costs which arise out of the negligence or wilful misconduct of the Assignor) and shall be entitled to a

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<sup>6</sup> For bracketed language here and elsewhere in this form relating to the Assignor(s), if the assignment is from a single Assignor, choose the first bracketed language. If the assignment is from multiple Assignors, choose the second bracketed language.

<sup>7</sup> For bracketed language here and elsewhere in this form relating to the Assignee(s), if the assignment is to a single Assignee, choose the first bracketed language. If the assignment is to multiple Assignees, choose the second bracketed language.

<sup>8</sup> Select as appropriate.

<sup>9</sup> Include bracketed language if there are either multiple Assignors or multiple Assignees.

proportionate amount of the fees paid in respect of such Letters of Credit and Swing Line Borrowings based upon the number of days remaining in the term of any such Letters of Credit or Swing Line Borrowing. Each such sale and assignment is without recourse to [the][any] Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by [the] [any] Assignor.

1. Assignor[s]: \_\_\_\_\_  
 \_\_\_\_\_

[Assignor [is] [is not] a Defaulting Lender]

2. Assignee[s]: \_\_\_\_\_  
 \_\_\_\_\_

[for each Assignee, indicate [Affiliate] [Approved Fund] of [identify Lender]

3. Borrower(s): \_\_\_\_\_

4. Administrative Agent: \_\_\_\_\_ as the administrative agent under the Credit Agreement

5. Credit Agreement: The Credit Agreement dated August 13, 2024 among KMC Mining Corporation, the Lenders party thereto, ATB Financial, as Administrative Agent, and the other parties thereto

6. Assigned Interest[s]:

Assignor[s] <sup>10</sup>	Assignee[s] <sup>11</sup>	Facility Assigned <sup>12</sup>	Aggregate Amount of Commitment/Borrowings for all Lenders <sup>13</sup>	Amount of Commitment/Borrowings Assigned	Percentage Assigned of Commitment/Borrowings <sup>14</sup>	[CUSIP Number]
			\$	\$	\$	
			\$	\$	\$	
			\$	\$	\$	

[7. Trade Date: \_\_\_\_\_]<sup>15</sup>

<sup>10</sup> List each Assignor, as appropriate.

<sup>11</sup> List each Assignee, as appropriate.

<sup>12</sup> Fill in the appropriate terminology for the types of facilities under the Credit Agreement that are being assigned under this Assignment (e.g., "Term Facility Commitment", "Delayed Draw Facility Commitment", "Capex Facility Commitment" or "Operating Facility Commitment," etc.)

<sup>13</sup> Amount to be adjusted by the counterparties to take into account any payments or prepayments made between the Trade Date and the Effective Date.

<sup>14</sup> Set forth, to at least 9 decimals, as a percentage of the Commitment/Loans of all Lenders thereunder.

<sup>15</sup> To be completed if the Assignor(s) and the Assignee(s) intend that the minimum assignment amount is to be determined as of the Trade Date.

Effective Date: \_\_\_\_\_, 20\_\_ [TO BE INSERTED BY ADMINISTRATIVE AGENT]

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR[S]<sup>16</sup>

[NAME OF ASSIGNOR]

By: \_\_\_\_\_  
Title:

[NAME OF ASSIGNOR]

By: \_\_\_\_\_  
Title:

ASSIGNEE[S]<sup>17</sup>

[NAME OF ASSIGNEE]

By: \_\_\_\_\_  
Title:

[NAME OF ASSIGNEE]

By: \_\_\_\_\_  
Title:

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<sup>16</sup> Add additional signature blocks as needed.

<sup>17</sup> Add additional signature blocks as needed.

[Consented to and]<sup>18</sup> Accepted:

**ATB FINANCIAL**, as Administrative Agent

By: \_\_\_\_\_  
Title:

[Consented to and]<sup>19</sup> Accepted:

**[FRONTING LENDER]**, as Fronting Lender

By: \_\_\_\_\_  
Title:

[Consented to and]<sup>20</sup> Accepted:

**[SWING LINE LENDER]**, as Swing Line Lender

By: \_\_\_\_\_  
Title:

[Consented to:]<sup>21</sup>

**KMC MINING CORPORATION**

By: \_\_\_\_\_  
Title:

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<sup>18</sup> To be added only if the consent of the Administrative Agent is required by the terms of the Credit Agreement.

<sup>19</sup> To be added only if the consent of the Fronting Lender is required by the terms of the Credit Agreement.

<sup>20</sup> To be added only if the consent of the Swing Line Lender is required by the terms of the Credit Agreement.

<sup>21</sup> To be added only if the consent of the Borrower and/or other parties is required by the terms of the Credit Agreement.

[\_\_\_\_\_]<sup>22</sup>

**STANDARD TERMS AND CONDITIONS FOR  
ASSIGNMENT AND ASSUMPTION**

1. Representations and Warranties.

1.1 Assignor[s]. [The][Each] Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of [the] [the relevant] Assigned Interest, (ii) [the] [such] Assigned Interest is free and clear of any lien, encumbrance or other adverse claim, (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and (iv) it is [not] a Defaulting Lender; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Loan Document<sup>23</sup>, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents or any collateral thereunder, (iii) the financial condition of the Borrower, any of its Subsidiaries or Affiliates or any other Person obligated in respect of any Loan Document, or (iv) the performance or observance by the Borrower, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Loan Document.

1.2 Assignee[s]. [The][Each] Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it meets all the requirements to be an assignee under Section 13.1(b)(iii), (v) and (vi) of the Credit Agreement (subject to such consents, if any, as may be required under Section 13.1(b)(iii) of the Credit Agreement), (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of [the] [the relevant] Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it is sophisticated with respect to decisions to acquire assets of the type represented by the Assigned Interest and either it, or the Person exercising discretion in making its decision to acquire the Assigned Interest, is experienced in acquiring assets of such type, (v) it has received a copy of the Credit Agreement, and has received or has been accorded the opportunity to receive copies of the most recent financial statements delivered pursuant to Sections 9.1(u) and 9.1(v) thereof, as applicable, and such other documents and information as it deems appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase [the] [such] Assigned Interest, (vi) it has, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Assignment and Assumption and to purchase [the][such] Assigned Interest, and (vii) if it is a Foreign Lender<sup>24</sup>, attached to the Assignment and Assumption is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by [the][such] Assignee; and (b) agrees that (i) it will, independently and without reliance on the Administrative Agent, [the] [any] Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the

<sup>22</sup> Describe Credit Agreement at option of Administrative Agent.

<sup>23</sup> The term "Loan Document" should be conformed to that used in the Credit Agreement.

<sup>24</sup> The concept of "Foreign Lender" should be conformed to the section in the Credit Agreement governing withholding taxes and gross-up.



Loan Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

2. Payments.

From and after the Effective Date, the Administrative Agent shall make all payments in respect of [the] [each] Assigned Interest (including payments of principal, interest, fees and other amounts) to [the] [the relevant] Assignor for amounts which have accrued to but excluding the Effective Date and to [the] [the relevant] Assignee for amounts which have accrued from and after the Effective Date<sup>25</sup>. Notwithstanding the foregoing, the Administrative Agent shall make all payments of interest, fees or other amounts paid or payable in kind from and after the Effective Date to [the] [the relevant] Assignee.

3. General Provisions.

This Assignment and Assumption shall be binding upon, and enure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, the law of the Province of Alberta and of Canada applicable therein. There shall be no application of any conflict of law or other rules which would result in any laws other than internal laws in force in the Province of Alberta applying to this Assignment and Assumption. The parties hereto do hereby irrevocably submit and attorn to the non-exclusive jurisdiction of the courts of the Province of Alberta for all matters arising out of or relating to this Assignment and Assumption.

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<sup>25</sup> The Administrative Agent should consider whether this method conforms to its systems. In some circumstances, the following alternative language may be appropriate:

"From and after the Effective Date, the Administrative Agent shall make all payments in respect of [the][each] Assigned Interest (including payments of principal, interest, fees and other amounts) to [the][the relevant] Assignee whether such amounts have accrued prior to, on or after the Effective Date. The Assignor[s] and the Assignee[s] shall make all appropriate adjustments in payments by the Administrative Agent for periods prior to the Effective Date or with respect to the making of this assignment directly between themselves."

**Schedule "G" to the Credit Agreement dated August 13, 2024 among  
KMC MINING CORPORATION, as Borrower, and a syndicate of  
Lenders with ATB FINANCIAL, as Administrative Agent**

---

**FORM OF BORROWING BASE CERTIFICATE**

TO: ATB Financial, as Administrative Agent

RE: Credit Agreement dated August 13, 2024 among KMC Mining Corporation, as borrower (the "**Borrower**"), ATB Financial, as Administrative Agent (the "**Administrative Agent**"), and the persons party thereto as lenders from time to time (collectively, the "**Lenders**") (such Credit Agreement, as it may be amended, supplemented, modified or restated from time to time, referred to as the "**Credit Agreement**").

I, \_\_\_\_\_, of the City of Calgary, in the Province of Alberta, hereby certify as follows:

1. I am the [insert title of senior officer] of KMC Mining Corporation;
2. This Certificate applies to the month ending \_\_\_\_\_;
3. I am familiar with and have examined the provisions of the Credit Agreement and have made such reasonable investigations of corporate records and inquiries of other officers and senior personnel of the Loan Parties as I have deemed necessary for purposes of this Certificate;
4. Except where the context otherwise requires, all capitalized terms used herein have the same meaning as in the Credit Agreement;
5. The Borrowing Base is \$ \_\_\_\_\_, calculated as follows:

Accounts Receivable of Loan Parties		\$	_____
Eligible Investment Grade Accounts Receivable	<b>A</b>	\$	_____
<b>Marginable Eligible Investment Grade Accounts Receivable at 85% of A</b>	<b>B</b>	\$	_____
Eligible Accounts Receivable	<b>C</b>	\$	_____
<i>Less</i> any Eligible Investment Grade Accounts Receivable (or A)	<b>D</b>	\$	_____
<b>Marginable Eligible Accounts Receivable at 75% of D</b>	<b>E</b>	\$	_____
Inventory	<b>F</b>	\$	_____
Eligible Inventory	<b>G</b>	\$	_____

<b>Marginable Eligible Inventory at 60% of G</b>	<b>H</b>	<b>\$</b> _____
Less:		
<b>100% of Priority Payables of Loan Parties</b>	<b>I</b>	<b>- \$</b> _____
<b>Borrowing Base (B + E + H - I)</b>		<b>= \$</b> _____
Less:		
<b>Aggregate Operating Borrowings (including issued and outstanding Letters of Credit)</b>		<b>- \$</b> _____
<b>Margin Surplus (Deficit)</b>		<b>= \$</b> _____

6. Annexed hereto are the following reports:
  - (a) an aged listing of all Accounts Receivable, all Eligible Accounts Receivable and all Eligible Investment Grade Accounts Receivable for all the Loan Parties;
  - (b) a statement of the net book value of all Inventory (including all Eligible Inventory);
  - (c) an aged listing of all accounts payable of the Loan Parties; and
  - (d) a listing of all amounts which comprise Priority Payables of the Loan Parties;
7. No Default, Event of Default or Borrowing Base Shortfall exists;
8. Each of the representations and warranties made by the Borrower pursuant to Section 2.1 of the Credit Agreement (other than those made as of a specific date) are, as of the date hereof, true and correct;
9. This Certificate is given by the undersigned officer in his or her capacity as an officer of the Borrower without any personal liability.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**KMC MINING CORPORATION**

Per: \_\_\_\_\_  
 Name:  
 Title:

**Schedule "H" to the Credit Agreement dated August 13, 2024 among  
KMC MINING CORPORATION, as Borrower, and a syndicate of  
Lenders with ATB FINANCIAL, as Administrative Agent**

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**INTELLECTUAL PROPERTY**

1. KMC Mining Corporation Mine Production System
2. KMC Mining Corporation Engineered Truck Bodies

**Schedule "I" to the Credit Agreement dated August 13, 2024 among  
KMC MINING CORPORATION, as Borrower, and a syndicate of  
Lenders with ATB FINANCIAL, as Administrative Agent**

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**MATERIAL AGREEMENTS**

1. Regional Civil Earthworks Multiple Use Agreement (contract number CW2261293), dated February 9, 2024, between the Borrower and Suncor Energy Oil Sands Limited Partnership, by its authorized agent, Suncor Energy Services Inc.
2. Collective Agreement between the Borrower and the International Union of Operating Engineers, Local Union No. 955, dated January 2, 2022.
3. Voting Shareholder Rights and Obligations Agreement, dated September 27, 2019, amongst the Borrower, Brymak Holdings Ltd., and Dan Klemke.
4. Employee Shareholder Rights and Obligations Agreement, dated September 27, 2019, amongst the Borrower and each employee of the Borrower holding Class "B" Common Non-Voting Shares.
5. Executive Shareholder Rights and Obligations Agreement, dated September 27, 2019, amongst the Borrower, Craig Dirk, and Bryn Jones.
6. Voting Shareholder Rights and Obligations Agreement, dated August 13, 2024, between the Borrower and Caroline Klemke.
7. Deferred Share Redemption and Dividend Waiver Agreement, dated August 13, 2024, between the Borrower and Caroline Klemke.
8. The Subordinated Note (as defined herein).
9. The Subordinated Note Settlement Agreement (as defined herein).
10. KMFM Joint Venture Agreement, dated October 8, 2019, between the Borrower and Fort McKay Strategic Services Limited Partnership.
11. Management Services Agreement between the Borrower and Brymak Holdings Ltd., dated January 1, 2020 as amended July 1, 2024.
12. Management Services Agreement between the Borrower and 2219019 Alberta Ltd., dated January 1, 2020 as amended July 1, 2024.

**Schedule "J" to the Credit Agreement dated August 13, 2024 among  
KMC MINING CORPORATION, as Borrower, and a syndicate of  
Lenders with ATB FINANCIAL, as Administrative Agent**

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**REFINANCED EQUIPMENT**

See attached.

Unit #	Year	Make	Model	Serial Number
02116	2013	Caterpillar	D8T	MLN01822
02118	2022	Liebherr	PR776	25121
02119	2021	Komatsu	D375A-8	80094
02120	2017	Caterpillar	D8T	FMC01205
02121	2018	Caterpillar	D8T	AFMC01669
02127	2021	Liebherr	PR736	4FLGP0224321736
02128	2021	Komatsu	D375A-8	80107
02129	2021	Komatsu	D375A-8	80119
03024	2008	Caterpillar	24M	B9K00327
03030	2007	Caterpillar	16H	ATS0855
03035	2011	Caterpillar	24M	CAT0024MTB9K00459
04100	2006	Caterpillar	793D	FDB00279
04122	2008	Caterpillar	793D	FDB00834
04138	2009	Caterpillar	793D	FDB01052
04191	2017	Komatsu	930E-4	A32010
04192	2017	Komatsu	930E-4	A32014
04195	2006	Caterpillar	793D	FDB00191
04196	2006	Caterpillar	793D	FDB00190
04197	2006	Caterpillar	793D	FDB00188
04198	2006	Caterpillar	793D	FDB00401
04199	2006	Caterpillar	793D	FDB00400
04200	2006	Caterpillar	793D	FDB00192
04202	2021	Komatsu	830E-5	A50160
04204	2022	Komatsu	830E-5	A50162
04205	2022	Komatsu	830E-5	A50163
04206	2022	Komatsu	830E-5	A50173
04207	2023	Komatsu	930E-5	A40301
04208	2023	Komatsu	930E-5	A40310
04209	2023	Komatsu	930E-5	A40318
05135	2020	John Deere	870G LC	1FF870GXHKF890071
05136	2000	O&K	RH400	400004
05137	2021	John Deere	JD870	1FF870GXLMF890116
05138	2018	Caterpillar	Cat 374FH	CAT0374FHEBF20057
05140	2022	John Deere	JD870	1FF870GXJMF890126
05142	2023	John Deere	JD670	1FF670PAKNF000005
05143	2023	John Deere	JD670	1FF670PAJNF000006
05144	2022	John Deere	JD870	1FF870GXVNF890131
05145	2022	John Deere	JD870	1FF870GXANF890132
05146	2022	John Deere	JD870	1FF870GXCNF890136
05148	2023	Bobcat L85	5L85	B53C11623
05149	2015	Komatsu	WA380-7	10463

**Schedule "K" to the Credit Agreement dated August 13, 2024 among  
KMC MINING CORPORATION, as Borrower, and a syndicate of  
Lenders with ATB FINANCIAL, as Administrative Agent**

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**EXCLUDED EQUIPMENT**

1. 2017 Komatsu 930E-4 truck, bearing serial number KMTHD038NHPA32010
2. 2017 Komatsu 930-4 truck, bearing serial number KMTHD038NHPA32014



**Schedule "L" to the Credit Agreement dated August 13, 2024 among  
KMC MINING CORPORATION, as Borrower, and a syndicate of  
Lenders with ATB FINANCIAL, as Administrative Agent**

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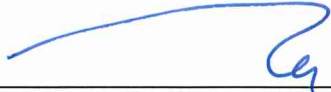
**FIRST FIXED CHARGE EQUIPMENT**

See attached.

Unit #	Year	Make	Model	Serial Number
02072	2009	Caterpillar	D11T	GEB00361
02086	2006	Caterpillar	D9T	RJS00659
02100	2010	Caterpillar	D11T	GEB00614
02104	2011	Caterpillar	D11T	GEB00666
02105	2011	Caterpillar	D11T	GEB00667
02107	2011	Caterpillar	D11T	CAT0D11TJGEB00796
02109	2011	Caterpillar	D11T	CAT0D11TEJEL00218
03023	2007	Caterpillar	24M	CAT0024MAB9K00261
03028	2010	Caterpillar	24M	B9K00318
03032	2010	Caterpillar	24M	B9K00351
04086	2005	Komatsu	930E-3	A30336
04087	2005	Komatsu	930E-3	A30337
04088	2005	Komatsu	930E-3	A30338
04089	2005	Komatsu	930E-3	A30339
04090	2005	Komatsu	930E-3	A30340
04091	2005	Komatsu	930E-3	A30358
04096	2006	Caterpillar	793D	FDB00253
04097	2006	Caterpillar	793D	FDB00273
04103	2007	Caterpillar	777F	JRP00709
04104	2007	Caterpillar	777F	JRP00837
04105	2007	Caterpillar	793D	FDB00666
04106	2007	Caterpillar	793D	FDB00668
04107	2007	Komatsu	930E-4	A30565
04108	2007	Komatsu	930E-4	A30583
04109	2008	Komatsu	930E-4	A30584
04110	2008	Komatsu	930E-4	A30605
04111	2008	Komatsu	930E-4	A30629
04112	2008	Komatsu	930E-4	A30631
04113	2008	Komatsu	930E-4	A30635
04114	2008	Komatsu	930E-4	A30636
04115	2008	Komatsu	930E-4	A30634
04121	2008	Caterpillar	793D	FDB00824
04124	2008	Caterpillar	793D	FDB00843
04125	2008	Caterpillar	793D	FDB00844
04128	2008	Caterpillar	793D	FDB00846
04133	2009	Komatsu	930E-4	A30762
04134	2009	Komatsu	930E-4	A30763
04135	2009	Komatsu	930E-4	A30884
04137	2009	Caterpillar	793D	FDB01051
04139	2006	Caterpillar	777D	AGC01619
04140	2006	Caterpillar	777D	AGC01608

04143	2007	Caterpillar	777D	AGC02296
04145	2007	Caterpillar	777D	AGC02298
04147	2007	Komatsu	HD1500-5	A30142
04148	2007	Komatsu	HD1500-5	A30143
04149	2007	Komatsu	HD1500-5	A30144
04150	2007	Komatsu	HD1500-5	A30145
04151	2007	Komatsu	HD1500-5	A30146
04153	2007	Komatsu	HD1500-5	A30150
04154	2007	Komatsu	HD1500-5	A30157
04155	2007	Komatsu	HD1500-5	A30151
04174	2010	Caterpillar	777F	JRP02350
04176	2010	Caterpillar	777F	JRP02377
04177	2010	Caterpillar	777F	JRP02378
04184	2012	Komatsu	930E-4	A31609
04185	2012	Komatsu	930E-4	A31537
04186	2012	Komatsu	930E-4	A31492
04187	2017	Komatsu	930E-4	A32005
04189	2017	Komatsu	930E-4	A32008
04190	2017	Komatsu	930E-4	A32009
04210	2023	Komatsu	930E-5	A40319
04211	2023	Komatsu	930E-5	A40320
04212	2023	Komatsu	930E-5	A40321
05043	1983	Caterpillar	V330	72Y00718
05045	1994	Demag	H685SP	12020
05051	1994	Caterpillar	980F	8CJ01560
05053	1998	Caterpillar	980F	E28503
05054	1998	Caterpillar	980F	E28504
05062	1999	O&K	RH200	200070
05070	2007	Komatsu	PC8000-6	12053
05074	2008	Taylor	T520	S-ED-35336
05075	2008	Caterpillar	980F	ACCESSORY TO S-ED-35336
05076	2008	Caterpillar	980F	757350
05082	2008	Komatsu	PC8000-6	12062
05095	2008	O&K	RH340	340068
05116	2012	Hitachi	EX1200-6	HCM18J00L00001356
05133	2019	Komatsu	WA380-8	A74942
6485	1979	Pacific	P16	T791461373
6305	2004	Peterbilt	357	1NPALU0X54D824616
6312	2004	Peterbilt	330	2NPNHD7H95M842887
6400	2008	Peterbilt	367	1NPTLUEX49D770198
6402	2008	Kenworth	T800	1NKDXUEX08J937266
6441	2008	Peterbilt	367	1NPTL0EX49D785339

This is **Exhibit "J"** referred to in the Affidavit of BRYN JONES sworn before me on the **31<sup>st</sup>** day of December, 2024.

A handwritten signature in blue ink, consisting of a long, sweeping horizontal stroke followed by a smaller, more intricate flourish.

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A Commissioner for Oaths in and for the Province of Alberta

**Roscoe Gee**  
**Student-At-Law**

Search ID #: Z18218318

**Transmitting Party**

DUNCAN CRAIG LLP

2800 SCOTIA PLACE 10060 JASPER AVE  
EDMONTON, AB T5J 3V9

Party Code: 50001320  
Phone #: 780 441 4308  
Reference #: 219113

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

**Business Debtor Search For:**

KMC MINING CORPORATION

Exact Result(s) Only Found

**NOTE:**

A complete Search may result in a Report of Exact and Inexact Matches.  
Be sure to read the reports carefully.



Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 08030309885

Registration Date: 2008-Mar-03

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2026-Mar-03 23:59:59

Exact Match on: Debtor No: 3

**Amendments to Registration**

16040122099	Amendment And Renewal	2016-Apr-01
19091009612	Amendment And Renewal	2019-Sep-10
24041708273	Amendment	2024-Apr-17
24121019712	Amendment	2024-Dec-10
24121122559	Amendment	2024-Dec-11
24122012562	Amendment	2024-Dec-20

**Debtor(s)**

**Block**

1 1379026 ALBERTA LTD.  
C/O 3210, 150 - 6TH AVENUE S.W.  
CALGARY, AB T2P 3N7

**Status**

Deleted by  
16040122099

**Block**

2 KMC MINING CORPORATION  
11564 - 149 STREET NW  
EDMONTON, AB T5M 1W7

**Status**

Deleted by  
19091009612

**Block**

3 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X 6E6

**Status**

Current by  
19091009612

Search ID #: Z18218318

**Secured Party / Parties**

**Block**

1 KLEMKE HOLDINGS LTD.  
HANGER 30, 60 FLIGHT LINE ROAD  
EDMONTON, AB T5G 3G2

**Status**

Deleted by  
16040122099

**Block**

2 THE KLEMKE FOUNDATION  
1703, 9923 103 ST.  
EDMONTON, AB T5K 2J3

**Status**

Deleted by  
24041708273

**Block**

3 THE KLEMKE FOUNDATION  
41-25015 TWP RD 544A  
STURGEON COUNTY, AB T8T 0B9  
Email: stevekleme@gmail.com

**Status**

Current by  
24041708273

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	CAT0024MTB9K00459	2011	Caterpillar 24M	MV - Motor Vehicle	Current By 24121019712
2	CAT0854KP22100297	2008	CAT 854K	MV - Motor Vehicle	Current By 24121019712
3	RJG01538	2008	CAT D10T	MV - Motor Vehicle	Current By 24121019712
4	KPZ00897	2006	CAT D8T	MV - Motor Vehicle	Current By 24121019712
5	GEB00614	2010	CAT D11T	MV - Motor Vehicle	Current By 24121019712
6	GEB00667	2011	CAT D11T	MV - Motor Vehicle	Current By 24121019712
7	CAT0D11TJGEB00796	2011	CAT D11T	MV - Motor Vehicle	Current By 24121019712
8	CAT0D11TEJEL00218	2011	CAT D11T	MV - Motor Vehicle	Current By 24121019712
9	B9K00261	2007	CAT 24M	MV - Motor Vehicle	Current By 24121019712
10	B9K00329	2008	CAT 24M	MV - Motor Vehicle	Current By 24121019712
11	B9K00318	2010	CAT 24M	MV - Motor Vehicle	Current By 24121019712

Search ID #: Z18218318

12	B9K00351	2010	CAT 24M	MV - Motor Vehicle	Current By 24121019712
13	A30337	2005	Komatsu 930E-3	MV - Motor Vehicle	Current By 24121019712
14	A30340	2005	Komatsu 930E-3	MV - Motor Vehicle	Current By 24121019712
15	A30358	2005	Komatsu 930E-3	MV - Motor Vehicle	Current By 24121019712
16	FDB00273	2006	CAT 793D	MV - Motor Vehicle	Current By 24121019712
17	JRP00837	2007	CAT 777F	MV - Motor Vehicle	Current By 24121019712
18	FDB00666	2007	CAT 793D	MV - Motor Vehicle	Current By 24121019712
19	FDB00668	2007	CAT 793D	MV - Motor Vehicle	Current By 24121019712
20	A30565	2007	Komatsu 930E-4	MV - Motor Vehicle	Current By 24121019712
21	A30583	2007	Komatsu 930E-4	MV - Motor Vehicle	Current By 24121019712
22	A30584	2008	Komatsu 930E-4	MV - Motor Vehicle	Current By 24121019712
23	A30605	2008	Komatsu 930E-4	MV - Motor Vehicle	Current By 24121019712
24	A30629	2008	Komatsu 930E-4	MV - Motor Vehicle	Current By 24121019712
25	A30631	2008	Komatsu 930E-4	MV - Motor Vehicle	Current By 24121019712
26	A30635	2008	Komatsu 930E-4	MV - Motor Vehicle	Current By 24121019712
27	A30636	2008	Komatsu 930E-4	MV - Motor Vehicle	Current By 24121019712
28	A30634	2008	Komatsu 930E-4	MV - Motor Vehicle	Current By 24121019712
29	FDB00824	2008	CAT 793D	MV - Motor Vehicle	Current By 24121019712
30	FDB00843	2008	CAT 793D	MV - Motor Vehicle	Current By 24121019712
31	FDB00844	2008	CAT 793D	MV - Motor Vehicle	Current By 24121019712



Search ID #: Z18218318

32	FDB00814	2008	CAT 793D	MV - Motor Vehicle	Current By 24121019712
33	FDB00846	2008	CAT 793D	MV - Motor Vehicle	Current By 24121019712
34	A30762	2009	Komatsu 930E-4	MV - Motor Vehicle	Current By 24121019712
35	A30763	2009	Komatsu 930E-4	MV - Motor Vehicle	Current By 24121019712
36	A30884	2009	Komatsu 930E-4	MV - Motor Vehicle	Current By 24121019712
37	FDB01051	2009	CAT 793D	MV - Motor Vehicle	Current By 24121019712
38	AGC01619	2006	CAT 777D	MV - Motor Vehicle	Current By 24121019712
39	JRP00379	2007	CAT 777F	MV - Motor Vehicle	Current By 24121019712
40	AGC02298	2007	CAT 777D	MV - Motor Vehicle	Current By 24121019712
41	A30144	2007	Komatsu HD1500-5	MV - Motor Vehicle	Current By 24121019712
42	A30145	2007	Komatsu HD1500-5	MV - Motor Vehicle	Current By 24121019712
43	A30150	2007	Komatsu HD1500-5	MV - Motor Vehicle	Current By 24121019712
44	A30151	2007	Komatsu HD1500-5	MV - Motor Vehicle	Current By 24121019712
45	JRP02377	2010	CAT 777F	MV - Motor Vehicle	Current By 24121019712
46	B1M03564	2012	CAT 730	MV - Motor Vehicle	Current By 24121019712
47	B1M03552	2012	CAT 730	MV - Motor Vehicle	Current By 24121019712
48	A31609	2012	Komatsu 930E-4	MV - Motor Vehicle	Current By 24121019712
49	A31537	2012	Komatsu 930E-4	MV - Motor Vehicle	Current By 24121019712
50	A31492	2012	Komatsu 930E-4	MV - Motor Vehicle	Current By 24121019712

Search ID #: Z18218318

51	1036	1988	Letournea L1100	MV - Motor Vehicle	Current By 24121019712
52	72Y00718	1983	CAT V330	MV - Motor Vehicle	Current By 24121019712
53	12053	2007	Komatsu PC8000-6	MV - Motor Vehicle	Current By 24121019712
54	12020	1994	Demag H685SP	MV - Motor Vehicle	Current By 24121019712
55	3CL0173	1995	CAT IT28F	MV - Motor Vehicle	Current By 24121019712
56	8CJ01560	1994	CAT 980F	MV - Motor Vehicle	Current By 24121019712
57	12030	1998	Demag H740OS	MV - Motor Vehicle	Current By 24121019712
58	200070	1999	O&K RH200	MV - Motor Vehicle	Current By 24121019712
59	SED35336	2008	Taylor T520	MV - Motor Vehicle	Current By 24121019712
60	757350	2008	Manitou MHT 10160 L	MV - Motor Vehicle	Current By 24121019712
61	12062	2008	Komatsu PC8000-6	MV - Motor Vehicle	Current By 24121019712
62	340068	2008	O&K RH340	MV - Motor Vehicle	Current By 24121019712
63	KMTPC100N95012060	2008	Komatsu PC8000-6	MV - Motor Vehicle	Current By 24121019712
64	1FF870GXCCE870056	2014	John Deere 870G LC	MV - Motor Vehicle	Current By 24121019712
65	1FF870GXLCE870053	2014	John Deere 870G LC	MV - Motor Vehicle	Current By 24121019712
66	1FF870GXKCE870076	2015	John Deere 870G LC	MV - Motor Vehicle	Current By 24121019712
67	591093	2010	Manitou M50.4	MV - Motor Vehicle	Current By 24121019712
68	300151751	2011	JLG 600AJ	MV - Motor Vehicle	Current By 24121019712
69	1FF870GXCCE870078	2015	John Deere 870G LC	MV - Motor Vehicle	Current By 24121019712
70	T791461373	1979	Pacific P16	MV - Motor Vehicle	Current By 24121019712

Search ID #: Z18218318

71	101580291104	2000	Bomag BW213D-3	MV - Motor Vehicle	Current By 24121019712
72	4UZABRFD1NCMU7936	2022	THOMAS C2	MV - Motor Vehicle	Current By 24121019712
73	4UZABRFD3NCNK8811	2022	THOMAS C2	MV - Motor Vehicle	Current By 24121019712
74	4UZABRFD7NCNK8813	2022	THOMAS C2	MV - Motor Vehicle	Current By 24121019712
75	1FF870GXLMF890116	2021	John Deere 870G	MV - Motor Vehicle	Current By 24121019712
76	1FT7W2B63NEC51082	2022	Ford Super Duty F-250	MV - Motor Vehicle	Current By 24121019712
77	1FT7W2B62NEC51090	2022	Ford Super Duty F-250	MV - Motor Vehicle	Current By 24121019712
78	1FT7W2B60NEC51086	2022	Ford Super Duty F-250	MV - Motor Vehicle	Deleted By 24122012562
79	1FTEW1E53JFB13535	2018	Ford F150	MV - Motor Vehicle	Current By 24121019712
80	1FT7W2B62JEB00115	2018	Ford F250	MV - Motor Vehicle	Current By 24121019712
81	1FT7W2B65JEB00285	2018	Ford F250	MV - Motor Vehicle	Current By 24121019712
82	1FTEW1E56JFB74426	2018	Ford F150	MV - Motor Vehicle	Current By 24121019712
83	1FT7W2B60JEC30118	2018	Ford F250	MV - Motor Vehicle	Current By 24121019712
84	1FTFW1E58KFA45545	2019	Ford F150	MV - Motor Vehicle	Current By 24121019712
85	1FTEW1E41KFA70600	2019	Ford F150	MV - Motor Vehicle	Current By 24121019712
86	1FD0W5HTXMEE01196	2021	Ford Super Duty F-550	MV - Motor Vehicle	Current By 24121019712
87	1FD0W5HT0MED15931	2021	Ford Super Duty F-550	MV - Motor Vehicle	Deleted By 24122012562
88	80107	2021	Komatsu D375A-8	MV - Motor Vehicle	Current By 24121019712
89	80119	2021	Komatsu D375A-8	MV - Motor Vehicle	Current By 24121019712

Search ID #: Z18218318

90	1FTFW1E86MKE84165	2021	Ford F-150	MV - Motor Vehicle	Current By 24121019712
91	1FD0W5HT1NED58482	2022	Ford Super Duty F-550	MV - Motor Vehicle	Current By 24121019712
92	A50160	2022	Komatsu 830E-5	MV - Motor Vehicle	Current By 24121019712
93	A50162	2022	Komatsu 830E-5	MV - Motor Vehicle	Current By 24121019712
94	1GTPUEEL1NZ538373	2022	GMC Sierra 1500	MV - Motor Vehicle	Current By 24121019712
95	1FF870GXJMF890126	2022	John Deere 870G	MV - Motor Vehicle	Current By 24121019712
96	0224321736	2021	Liebherr Crawler	MV - Motor Vehicle	Current By 24121019712
97	CAT0374FHBEF20057	2018	Caterpillar 374FL	MV - Motor Vehicle	Current By 24121019712
98	CAT00D8TKMLN01822	2013	Caterpillar D8T	MV - Motor Vehicle	Current By 24121019712
99	1FF670PAJNF000006	2023	John Deere 670PLC	MV - Motor Vehicle	Current By 24121019712
100	1FF870GXVNF890131	2022	John Deere 870G	MV - Motor Vehicle	Current By 24121019712
101	1FF870GXANF890132	2022	John Deere 870G	MV - Motor Vehicle	Current By 24121019712
102	1FF870GXCNF890136	2022	John Deere 870G	MV - Motor Vehicle	Current By 24121019712
103	1FF870GXHKF890071	2020	John Deere 870G	MV - Motor Vehicle	Current By 24121019712
104	1FF670PAKNF000005	2023	John Deere 670PLC	MV - Motor Vehicle	Current By 24121019712
105	A50173	2022	Komatsu 830E-5	MV - Motor Vehicle	Current By 24121019712
106	80094	2021	Komatsu D375A-8	MV - Motor Vehicle	Current By 24121019712
107	CAT00D8TLFMC01205	2017	Caterpillar D8T	MV - Motor Vehicle	Current By 24121019712
108	CAT00D8TAFMC01669	2017	Caterpillar D8T	MV - Motor Vehicle	Current By 24121019712
109	1FT7W2B66NEF16383	2022	Ford Super Duty F-250	MV - Motor Vehicle	Current By 24121019712

Search ID #: Z18218318

110	4UZABRFA6NCMU8800	2022	Thomas Built Buses C2	MV - Motor Vehicle	Current By 24121019712
111	4UZABRFA0NCNE6670	2022	Thomas Built Buses C2	MV - Motor Vehicle	Current By 24121019712
112	1FT7W2B66NEE99617	2022	Ford Super Duty F-250	MV - Motor Vehicle	Current By 24121019712
113	1FTFW1E53NFC22264	2022	Ford F150	MV - Motor Vehicle	Current By 24121019712
114	1FTFW1E50NFC23372	2022	Ford F-150	MV - Motor Vehicle	Current By 24121019712
115	1GTU9FEL6KZ326557	2019	GMC Sierra 1500	MV - Motor Vehicle	Deleted By 24122012562
116	1FDUF5HT3KEG27451	2019	Ford Super Duty F-550	MV - Motor Vehicle	Current By 24121019712
117	1FT7W2B64NEF16382	2022	Ford Super Duty F-250	MV - Motor Vehicle	Current By 24121019712
118	1GT49ME74PF197069	2023	GMC Sierra 2500HD	MV - Motor Vehicle	Deleted By 24122012562
119	A50163	2022	Komatsu 830E-5	MV - Motor Vehicle	Current By 24121019712
120	1FT7W2B62NEF16381	2022	Ford Super Duty F-250	MV - Motor Vehicle	Current By 24121019712
121	A40301	2022	Komatsu 930E-5	MV - Motor Vehicle	Current By 24121019712
122	A40310	2022	Komatsu 930E-5	MV - Motor Vehicle	Current By 24121019712
123	A40318	2023	Komatsu 930E-5	MV - Motor Vehicle	Current By 24121019712
124	B53C11623	2023	BOBCAT L85	MV - Motor Vehicle	Current By 24121019712
125	1FT7W2B66MED32950	2021	Ford Super Duty F-250	MV - Motor Vehicle	Current By 24121019712
126	1FT7W2B63MED32954	2021	Ford Super Duty F-250	MV - Motor Vehicle	Deleted By 24122012562
127	1FT7W2B64MED31876	2021	Ford Super Duty F-250	MV - Motor Vehicle	Deleted By 24122012562
128	CAT0793DCFDB00279	2007	Caterpillar 793D	MV - Motor Vehicle	Current By 24121019712

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129	400004	2000	RH400 O&K	MV - Motor Vehicle	Current By 24121019712
130	1FTFW1E86MFB32308	2021	Ford F-150	MV - Motor Vehicle	Current By 24121019712
131	3C6UR5CJ6MG573342	2021	RAM 2500	MV - Motor Vehicle	Current By 24121019712
132	1FT7W2B6XMED83836	2021	Ford Super Duty F-250	MV - Motor Vehicle	Deleted By 24122012562
133	1FD0W5HTXMEE01196	2021	Ford Super Duty F-550	MV - Motor Vehicle	Current By 24121019712
134	1NPCLP0X4PD881274	2023	Peterbilt Fuel Lube	MV - Motor Vehicle	Current By 24121019712
135	025121	2022	Liebherr PR 776	MV - Motor Vehicle	Current By 24121019712
136	1FTFW1E81PFB85230	2023	Ford F-150	MV - Motor Vehicle	Current By 24121019712
137	A50224	2022	Komatsu 830E-5	MV - Motor Vehicle	Current By 24121019712
138	A50225	2022	Komatsu 830E-5	MV - Motor Vehicle	Current By 24121019712
139	CAT0793DEFDB01052	2007	Caterpillar 793D	MV - Motor Vehicle	Current By 24121019712
140	1FDUF5HN4MDA07668	2021	Ford Super Duty F-550	MV - Motor Vehicle	Deleted By 24122012562
141	Z62H5233	2023	GENIE Z-62/40	MV - Motor Vehicle	Current By 24121019712
142	CAT0793DVFDB00834	2008	Caterpillar 793D	MV - Motor Vehicle	Current By 24121019712
143	1FT7W2BN1PEC83300	2023	Ford Super Duty F-250	MV - Motor Vehicle	Current By 24121019712
144	1FTEW1EP8PKD92059	2023	Ford F-150	MV - Motor Vehicle	Current By 24121019712
145	1FTEW1EP3PKD92275	2023	Ford F-150	MV - Motor Vehicle	Current By 24121019712
146	1FD0W5HT2PED28488	2023	Ford Super Duty F-550	MV - Motor Vehicle	Current By 24121019712
147	10463	2015	Komatsu WA380-7	MV - Motor Vehicle	Current By 24121019712
148	1FT7W2B65NEC51083	2022	Ford Super Duty F-250	MV - Motor Vehicle	Deleted By 24122012562

Search ID #: Z18218318

149	1FT7W2B64NEC51088	2022	Ford Super Duty F-250	MV - Motor Vehicle	Current By 24121019712
150	1FT7W2B64NEC51091	2022	Ford Super Duty F-250	MV - Motor Vehicle	Current By 24121019712
151	1FTFW1E58MFC66713	2021	Ford F-150	MV - Motor Vehicle	Current By 24121019712
152	1FT7W2B60NEC22333	2022	Ford Super Duty F-250	MV - Motor Vehicle	Current By 24121019712
153	1FTFW1E84PKE92477	2023	Ford F-150	MV - Motor Vehicle	Current By 24121019712
154	1FTFW1E8XPKE16438	2023	Ford F-150	MV - Motor Vehicle	Current By 24121019712
155	1FTFW1E86PKE16422	2023	Ford F-150	MV - Motor Vehicle	Current By 24121019712
156	1FT7W2B63NEC51082	2022	Ford Super Duty F-250	MV - Motor Vehicle	Current By 24121019712
157	1FT7W2B62NEC51090	2022	Ford Super Duty F-250	MV - Motor Vehicle	Current By 24121019712
158	1FT7W2B62NEC51087	2022	Ford Super Duty F-250	MV - Motor Vehicle	Deleted By 24122012562
159	1FT7W2B60NEC51086	2022	Ford Super Duty F-250	MV - Motor Vehicle	Current By 24121019712
160	1GKS2DKL5PR488082	2023	GMC Yukon	MV - Motor Vehicle	Current By 24121019712
161	KMTHD038NHPA32010	2017	Komatsu 930E-4	MV - Motor Vehicle	Current By 24121019712
162	KMTHD038NHPA32014	2017	Komatsu 930E-4	MV - Motor Vehicle	Current By 24121019712
163	1NPCLP0X6PD881275	2023	Peterbilt 567	MV - Motor Vehicle	Current By 24121019712
164	A40319	2023	Komatsu 930E-5	MV - Motor Vehicle	Current By 24121019712
165	A40320	2023	Komatsu 930E-5	MV - Motor Vehicle	Current By 24121019712
166	A40321	2023	Komatsu 930E-5	MV - Motor Vehicle	Current By 24121019712
167	1FT8W3BT1MEC93829	2021	Ford Super Duty F-350	MV - Motor Vehicle	Current By 24121019712

Search ID #: Z18218318

168	1FTFW1E87MFA17474	2021	Ford F-150	MV - Motor Vehicle	Current By 24121019712
169	50065	2023	Komatsu D475 A-8	MV - Motor Vehicle	Current By 24121019712
170	1FTFW1E86PFC60925	2023	Ford F-150	MV - Motor Vehicle	Current By 24121019712
171	50067	2023	Komatsu D475 A-8	MV - Motor Vehicle	Current By 24121019712
172	CAT0950HPK5K02110	2008	Caterpillar 950H	MV - Motor Vehicle	Current By 24121019712
173	5482000008	1925	MMTUO 16V4000C45	MV - Motor Vehicle	Current By 24121019712
174	1FD0X5HT4PEC37185	2023	Ford F-550	MV - Motor Vehicle	Current By 24121019712
175	CAT0793DLFDB00190	2006	Caterpillar 793D	MV - Motor Vehicle	Current By 24121019712
176	1FDUF5HN4PED83799	2023	Ford Super Duty F-550	MV - Motor Vehicle	Current By 24121019712
177	1FD0W5HT1NED58482	2022	Ford Super Duty F-550	MV - Motor Vehicle	Current By 24121019712
178	SED32923	2006	Taylor T520M	MV - Motor Vehicle	Current By 24121019712
179	797967	2020	Manitou M50	MV - Motor Vehicle	Current By 24121019712
180	MAN00000C01058729	2021	Manitou M50	MV - Motor Vehicle	Current By 24121019712
181	CAT0793DJFDB00846	2008	Caterpillar 793D	MV - Motor Vehicle	Current By 24121019712
182	5482000317	1925	MMTUO 16V4000C45	MV - Motor Vehicle	Current By 24121019712
183	WUP937815	2023	Atlascopco Hilight V4W	MV - Motor Vehicle	Current By 24121019712
184	WUP933567	2023	Atlascopco Hilight V4W	MV - Motor Vehicle	Current By 24121019712
185	WUP937827	2023	Atlascopco Hilight V4W	MV - Motor Vehicle	Current By 24121019712
186	WUP937825	2023	Atlascopco Hilight V4W	MV - Motor Vehicle	Current By 24121019712
187	WUP937814	2023	Atlascopco Hilight V4W	MV - Motor Vehicle	Current By 24121019712



Search ID #: Z18218318

188	1GTP6FEK1R1193695	2024	GMC Canyon	MV - Motor Vehicle	Current By 24121019712
189	CAT0024MHB9K00327	2009	Caterpillar 24M	MV - Motor Vehicle	Current By 24121019712
190	CAT0016HLATS00855	2007	Caterpillar 16H	MV - Motor Vehicle	Current By 24121019712
191	1FTFW5L89RFA70453	2024	Ford F-150	MV - Motor Vehicle	Current By 24121019712
192	1FF870PAHPF000039	2023	John Deere 870P	MV - Motor Vehicle	Current By 24121019712
193	1FTFW3L88RFA36752	2024	Ford F-150	MV - Motor Vehicle	Current By 24121019712
194	1FTFW3L85RKD06155	2024	Ford F-150	MV - Motor Vehicle	Current By 24121019712
195	1FTFW3L89RFA23282	2024	Ford F-150	MV - Motor Vehicle	Current By 24121019712
196	1FD0W5HN8REE56433	2024	Ford Super Duty F-550	MV - Motor Vehicle	Current By 24121019712
197	1XKDD0X87R177291	2007	Kenworth T800	MV - Motor Vehicle	Current By 24121019712
198	HCM18J00L00001356	2012	Hitachi EX1200-6	MV - Motor Vehicle	Current By 24121019712
199	1NKCL4TX4BR944949	2010	Kenworth C500	MV - Motor Vehicle	Current By 24121019712
200	1XKDD40X7EJ965888	2014	Kenworth T800	MV - Motor Vehicle	Current By 24121019712
201	GEB00361	2009	Caterpillar D11T	MV - Motor Vehicle	Current By 24121019712
202	RJS00659	2006	Caterpillar D9T	MV - Motor Vehicle	Current By 24121019712
203	GEB00666	2011	Caterpillar D11T	MV - Motor Vehicle	Current By 24121019712
204	CAT0024MAB9K00261	2007	Caterpillar 24M	MV - Motor Vehicle	Current By 24121019712
205	A30336	2005	Komatsu 930E-3	MV - Motor Vehicle	Current By 24121019712
206	A30338	2005	Komatsu 930E-3	MV - Motor Vehicle	Current By 24121019712

Search ID #: Z18218318

207	A30339	2005	Komatsu 930E-3	MV - Motor Vehicle	Current By 24121019712
208	JRP00709	2007	Caterpillar 777F	MV - Motor Vehicle	Current By 24121019712
209	AGC01608	2006	Caterpillar 777D	MV - Motor Vehicle	Current By 24121019712
210	AGC02296	2007	Caterpillar 777D	MV - Motor Vehicle	Current By 24121019712
211	A30142	2007	Komatsu HD1500-5	MV - Motor Vehicle	Current By 24121019712
212	A30143	2007	Komatsu HD1500-5	MV - Motor Vehicle	Current By 24121019712
213	A30146	2007	Komatsu HD1500-5	MV - Motor Vehicle	Current By 24121019712
214	A30157	2007	Komatsu HD1500-5	MV - Motor Vehicle	Current By 24121019712
215	JRP02350	2010	Caterpillar 777F	MV - Motor Vehicle	Current By 24121019712
216	JRP02378	2010	Caterpillar 777F	MV - Motor Vehicle	Current By 24121019712
217	E28503	1998	Caterpillar 980F	MV - Motor Vehicle	Current By 24121019712
218	E28504	1998	Caterpillar 980F	MV - Motor Vehicle	Current By 24121019712
219	A74942	2019	Komatsu WA380-8	MV - Motor Vehicle	Current By 24121019712
220	1NPALU0X54D824616	2004	Peterbilt 357	MV - Motor Vehicle	Current By 24121019712
221	2NPNHD7H95M842887	2004	Peterbilt 330	MV - Motor Vehicle	Current By 24121019712
222	1NPTLUEX49D770198	2008	Peterbilt 367	MV - Motor Vehicle	Current By 24121019712
223	1NKDXUEX08J937266	2008	Kenworth T800	MV - Motor Vehicle	Current By 24121019712
224	1NPTL0EX49D785339	2008	Peterbilt 367	MV - Motor Vehicle	Current By 24121019712
225	FDB00191	2006	Caterpillar 793D	MV - Motor Vehicle	Current By 24121019712
226	FDB00192	2006	Caterpillar 793D	MV - Motor Vehicle	Current By 24121019712

Search ID #: Z18218318

227	FDB00400	2006	Caterpillar 793D	MV - Motor Vehicle	Current By 24121019712
228	FDB00188	2006	Caterpillar 793D	MV - Motor Vehicle	Current By 24121019712
229	FDB00401	2006	Caterpillar 793D	MV - Motor Vehicle	Current By 24121019712
230	24277	2022	Liebherr PR 776	MV - Motor Vehicle	Current By 24121019712
231	KMTHD038NHPA32005	2017	Komatsu 930E-4	MV - Motor Vehicle	Current By 24121019712
232	KMTHD038NPA32008	2017	Komatsu 930E-4	MV - Motor Vehicle	Deleted By 24122012562
233	KMTHD038NHPA32009	2017	Komatsu 930E-4	MV - Motor Vehicle	Deleted By 24122012562
234	H400001EJJ021	2021	40 VMAC Air Compressor	MV - Motor Vehicle	Current By 24121019712
235	WUP937823	2023	Atlascopco Hilight V4W	MV - Motor Vehicle	Current By 24121019712
236	WUP933568	2023	Atlascopco Hilight V4W	MV - Motor Vehicle	Current By 24121019712
237	4FLGP0224321736	2021	Liebherr PR736	MV - Motor Vehicle	Current By 24121122559
238	1820251	1992	Hitachi EX1800-2	MV - Motor Vehicle	Current By 24121122559
239	DW624JP609784	2006	John Deere 624J	MV - Motor Vehicle	Current By 24121122559
240	591119	2010	Manitou M50.4	MV - Motor Vehicle	Current By 24121122559
241	ATS0855	2007	Caterpillar 16H	MV - Motor Vehicle	Current By 24121122559
242	FDB00253	2006	Caterpillar 793D	MV - Motor Vehicle	Current By 24121122559

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	All present and after-acquired personal property of the debtor.	Current

Search ID #: Z18218318

**Particulars**

**Block**    **Additional Information**

**Status**

1            The complete address of Debtor Block 1 is as follows: c/o TriWest Capital Partners III  
(2007) Inc., 3210, 150 6th Avenue S.W., Calgary, Alberta T2P 3N7

Deleted By  
16040122099

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

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Registration Number: 18042026245

Registration Type: SECURITY AGREEMENT

Registration Date: 2018-Apr-20

Registration Status: Current

Expiry Date: 2026-Apr-20 23:59:59

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Exact Match on: Debtor No: 1

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**Amendments to Registration**

20030920958	Renewal	2020-Mar-09
22041938577	Renewal	2022-Apr-19
24040214252	Renewal	2024-Apr-02

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**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
11564 149 STREET NW  
EDMONTON, AB T5G 3G2

Current

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**Secured Party / Parties**

**Block**

**Status**

1 CATERPILLAR FINANCIAL SERVICES LIMITED  
3457 SUPERIOR COURT, UNIT 2  
OAKVILLE, ON L6L 0C4

Current

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**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	CAT0024MTB9K00459	2011	CATERPILLAR 24M	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	ONE 2011 CATERPILLAR 24M MOTOR GRADER S/N CAT0024MTB9K00459 ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVE MENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PORCEEDS OF SUCH COLLATERAL. PROCEEDS: GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 19051325049

Registration Type: SECURITY AGREEMENT

Registration Date: 2019-May-13

Registration Status: Current

Expiry Date: 2025-May-13 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
11564 149 ST NW  
EDMONTON, AB T5M1W7

Current

**Secured Party / Parties**

**Block**

**Status**

1 WELLS FARGO EQUIPMENT FINANCE COMPANY  
1290 CENTRAL PARKWAY W, SUITE 1100  
MISSISSAUGA, ON L5C 4R3

Current

**Collateral: General**

**Block**

**Description**

**Status**

1 ALL GOODS WHICH ARE PHOTOCOPIERS, MULTIFUNCTION DEVICES, PRINTERS, PRODUCTION PRINTERS, FAX MACHINES, PROJECTORS, VIDEO CONFERENCING, INTERACTIVE WHITEBOARDS, SERVERS, AND SOFTWARE MANUFACTURED, DISTRIBUTED, OR SOLD BY RICOH CANADA INC. THE GOODS DESCRIBED HEREIN TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO, AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH THE COLLATERAL OR PROCEEDS THEREOF, AND WITHOUT LIMITATION, MONEY, CHEQUES, DEPOSITS IN DEPOSIT-TAKING INSTITUTIONS, GOODS, ACCOUNTS RECEIVABLE, RENTS OR OTHER PAYMENTS ARISING FROM THE LEASE OF THE COLLATERAL, CHATTEL PAPER, INSTRUMENTS, INTANGIBLES, DOCUMENTS OF TITLE, SECURITIES, AND RIGHTS OF INSURANCE PAYMENTS OR ANY OTHER PAYMENTS AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL. (REFERENCE NO. 9416685-001) (FOR INTERNAL USE ONLY) (AS MAY BE AMENDED OR UPDATED FROM TIME TO TIME)

Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

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Registration Number: 19071732028

Registration Date: 2019-Jul-17

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2029-Jul-17 23:59:59

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Exact Match on:

Debtor

No: 1

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**Amendments to Registration**

20022834217	Amendment	2020-Feb-28
21043006740	Amendment	2021-Apr-30
21060325723	Amendment	2021-Jun-03
21082020862	Amendment	2021-Aug-20
21091305414	Amendment	2021-Sep-13
21121318186	Amendment	2021-Dec-13
22021704009	Amendment	2022-Feb-17
22032127297	Amendment	2022-Mar-21
22041113795	Amendment	2022-Apr-11
22050219662	Amendment	2022-May-02
22062322259	Amendment	2022-Jun-23
22090705232	Amendment	2022-Sep-07
22090706843	Amendment	2022-Sep-07
22110105081	Amendment	2022-Nov-01
23022820843	Amendment	2023-Feb-28
23062226017	Amendment	2023-Jun-22
23070403138	Amendment	2023-Jul-04
23080103822	Amendment	2023-Aug-01
23081523227	Amendment	2023-Aug-15
24020103396	Amendment	2024-Feb-01



Search ID #: Z18218318

24082026424	Amendment	2024-Aug-20
24082128075	Amendment	2024-Aug-21
24091921264	Amendment	2024-Sep-19
24101124089	Amendment	2024-Oct-11

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**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 - 114 AVENUE  
ACHESON, AB T7X 6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 INTEGRATED PRIVATE DEBT FUND VI LP  
70 UNIVERSITY AVENUE, SUITE 1200  
TORONTO, ON M5J 2M4

Deleted by  
20022834217

**Block**

**Status**

2 INTEGRATED PRIVATE DEBT FUND GP INC.  
70 UNIVERSITY AVENUE, SUITE 1200  
TORONTO, ON M5J 2M4

Deleted by  
20022834217

**Block**

**Status**

3 INTEGRATED PRIVATE DEBT FUND VI LP  
70 UNIVERSITY AVENUE, SUITE 1200  
TORONTO, ON M5J 2M4

Deleted by  
24082026424

Email: spisarski@fieracapital.com

**Block**

**Status**

4 INTEGRATED PRIVATE DEBT FUND GP INC.  
70 UNIVERSITY AVENUE, SUITE 1200  
TORONTO, ON M5J 2M4

Deleted by  
24082026424

Email: spisarski@fieracapital.com

**Block**

**Status**

5 ATB FINANCIAL, AS AGENT  
SUITE 410, 585 8TH AVENUE S.W.  
CALGARY, AB T2P 1G1

Current by  
24082026424

Email: syndications.agent@atb.com

Search ID #: Z18218318

**Collateral: Serial Number Goods**

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	CAT0854KP22100297	2008	CAT 854K	MV - Motor Vehicle	Current
2	RJG01538	2008	CAT D10T	MV - Motor Vehicle	Current
3	KPZ02824	2009	CAT D8T	MV - Motor Vehicle	Deleted By 22110105081
4	RJG01830	2009	CAT D10T	MV - Motor Vehicle	Deleted By 22090705232
5	RJG01844	2009	CAT D10T	MV - Motor Vehicle	Deleted By 22032127297
6	ADE00872	2006	CAT D6R	MV - Motor Vehicle	Deleted By 21091305414
7	KPZ00897	2006	CAT D8T	MV - Motor Vehicle	Current
8	RJS00659	2006	CAT D9T	MV - Motor Vehicle	Deleted By 23070403138
9	RJG00156	2005	CAT D10T	MV - Motor Vehicle	Deleted By 22021704009
10	RJG01383	2008	CAT D10T	MV - Motor Vehicle	Deleted By 23022820843
11	GEB00614	2010	CAT D11T	MV - Motor Vehicle	Current
12	KJL00736	2008	CAT D6T	MV - Motor Vehicle	Deleted By 22062322259
13	KJL00730	2008	CAT D6T	MV - Motor Vehicle	Deleted By 22062322259
14	GEB00667	2011	CAT D11T	MV - Motor Vehicle	Current
15	CAT0D11TJGEB00796	2011	CAT D11T	MV - Motor Vehicle	Current
16	CAT0D11TEJEL00218	2011	CAT D11T	MV - Motor Vehicle	Current
17	CAT0D10TVRJG04053	2012	CAT D10T	MV - Motor Vehicle	Deleted By 23062226017
18	RJG04199	2012	CAT D10T	MV - Motor Vehicle	Deleted By 23062226017
19	B9K00261	2007	CAT 24M	MV - Motor Vehicle	Current
20	B9K00327	2008	CAT 24M	MV - Motor Vehicle	Deleted By 24082128075
21	B9K00329	2008	CAT 24M	MV - Motor Vehicle	Current
22	B9K00318	2010	CAT 24M	MV - Motor Vehicle	Current

Search ID #: Z18218318

23	B9H00558	2009	CAT 16M	MV - Motor Vehicle	Deleted By 21043006740
24	ATS0855	2007	CAT 16H	MV - Motor Vehicle	Deleted By 24082128075
25	B9K00351	2010	CAT 24M	MV - Motor Vehicle	Current
26	7EK00124	1992	CAT 789B	MV - Motor Vehicle	Deleted By 24020103396
27	A30337	2005	KOMATSU 930E-3	MV - Motor Vehicle	Current
28	A30340	2005	KOMATSU 930E-3	MV - Motor Vehicle	Current
29	A30358	2005	KOMATSU 930E-3	MV - Motor Vehicle	Current
30	FDB00253	2006	CAT 793D	MV - Motor Vehicle	Deleted By 24101124089
31	FDB00273	2006	CAT 793D	MV - Motor Vehicle	Current
32	FDB00279	2006	CAT 793D	MV - Motor Vehicle	Deleted By 23022820843
33	A30514	2007	KOMATSU 930E-4	MV - Motor Vehicle	Deleted By 23081523227
34	JRP00837	2007	CAT 777F	MV - Motor Vehicle	Current
35	FDB00666	2007	CAT 793D	MV - Motor Vehicle	Current
36	FDB00668	2007	CAT 793D	MV - Motor Vehicle	Current
37	A30565	2007	KOMATSU 930E-4	MV - Motor Vehicle	Current
38	A30583	2007	KOMATSU 930E-4	MV - Motor Vehicle	Current
39	A30584	2008	KOMATSU 930E-4	MV - Motor Vehicle	Current
40	A30605	2008	KOMATSU 930E-4	MV - Motor Vehicle	Current
41	A30629	2008	KOMATSU 930E-4	MV - Motor Vehicle	Current
42	A30631	2008	KOMATSU 930E-4	MV - Motor Vehicle	Current
43	A30635	2008	KOMATSU 930E-4	MV - Motor Vehicle	Current
44	A30636	2008	KOMATSU 930E-4	MV - Motor Vehicle	Current
45	A30634	2008	KOMATSU 930E-4	MV - Motor Vehicle	Current
46	FDB00717	2008	CAT 793D	MV - Motor Vehicle	Deleted By 24020103396
47	FDB00718	2008	CAT 793D	MV - Motor Vehicle	Deleted By 24020103396
48	FDB00824	2008	CAT 793D	MV - Motor Vehicle	Current

Search ID #: Z18218318

49	FDB00834	2008	CAT 793D	MV - Motor Vehicle	Deleted By 23070403138
50	FDB00843	2008	CAT 793D	MV - Motor Vehicle	Current
51	FDB00844	2008	CAT 793D	MV - Motor Vehicle	Current
52	FDB00814	2008	CAT 793D	MV - Motor Vehicle	Current
53	FDB00846	2008	CAT 793D	MV - Motor Vehicle	Current
54	A30762	2009	KOMATSU 930E-4	MV - Motor Vehicle	Current
55	A30763	2009	KOMATSU 930E-4	MV - Motor Vehicle	Current
56	A30884	2009	KOMATSU 930E-4	MV - Motor Vehicle	Current
57	FDB01051	2009	CAT 793D	MV - Motor Vehicle	Current
58	FDB01052	2009	CAT 793D	MV - Motor Vehicle	Deleted By 23070403138
59	AGC01619	2006	CAT 777D	MV - Motor Vehicle	Current
60	JRP00379	2007	CAT 777F	MV - Motor Vehicle	Current
61	AGC02298	2007	CAT 777D	MV - Motor Vehicle	Current
62	JRP00574	2007	CAT 777F	MV - Motor Vehicle	Deleted By 20022834217
63	A30144	2007	KOMATSU HD1500-5	MV - Motor Vehicle	Current
64	A30145	2007	KOMATSU HD1500-5	MV - Motor Vehicle	Current
65	A30150	2007	KOMATSU HD1500-5	MV - Motor Vehicle	Current
66	A30151	2007	KOMATSU HD1500-5	MV - Motor Vehicle	Current
67	2BW01312	2007	CAT 789C	MV - Motor Vehicle	Deleted By 22090706843
68	CF24433BFP41BJ	1994	DRESSER 330M	MV - Motor Vehicle	Deleted By 24091921264
69	JRP02351	2010	CAT 777F	MV - Motor Vehicle	Deleted By 23062226017
70	JRP02377	2010	CAT 777F	MV - Motor Vehicle	Current
71	B1M03564	2012	CAT 730	MV - Motor Vehicle	Current
72	B1M03566	2012	CAT 730	MV - Motor Vehicle	Deleted By 21060325723
73	B1M03552	2012	CAT 730	MV - Motor Vehicle	Current
74	A31609	2012	KOMATSU 930E-4	MV - Motor Vehicle	Current

Search ID #: Z18218318

75	A31537	2012	KOMATSU 930E-4	MV - Motor Vehicle	Current
76	A31492	2012	KOMATSU 930E-4	MV - Motor Vehicle	Current
77	1036	1988	LETOURNEA L1100	MV - Motor Vehicle	Current
78	72Y00718	1983	CAT V330	MV - Motor Vehicle	Current
79	12020	1994	DEMAG H685SP	MV - Motor Vehicle	Current
80	3CL0173	1995	CAT IT28F	MV - Motor Vehicle	Current
81	8CJ01560	1994	CAT 980F	MV - Motor Vehicle	Current
82	12030	1998	DEMAG H7400S	MV - Motor Vehicle	Current
83	200070	1999	O&K RH200	MV - Motor Vehicle	Current
84	DW544JP601387	2006	JOHN DEERE 544J	MV - Motor Vehicle	Deleted By 22050219662
85	12053	2007	KOMATSU PC8000-6	MV - Motor Vehicle	Current
86	SED35336	2008	TAYLOR T520	MV - Motor Vehicle	Current
87	757350	2008	MANITOU MHT 10160 L	MV - Motor Vehicle	Current
88	12062	2008	KOMATSU PC8000-6	MV - Motor Vehicle	Current
89	MCS00485	2009	CAT 365C L	MV - Motor Vehicle	Deleted By 22041113795
90	FF01J3Q0120843	2007	HITACHI ZX450LC-3	MV - Motor Vehicle	Deleted By 21121318186
91	340068	2008	O&K RH340	MV - Motor Vehicle	Current
92	591093	2010	MANITOU M50.4	MV - Motor Vehicle	Current
93	300151751	2011	JLG 600AJ	MV - Motor Vehicle	Current
94	CAT0252BLTNK01093	2011	CAT 252B3 TNK(CAB)	MV - Motor Vehicle	Deleted By 24082128075
95	30221	2011	KOMATSU PC1250LC-8	MV - Motor Vehicle	Deleted By 23022820843
96	30226	2011	KOMATSU PC1250LC-8	MV - Motor Vehicle	Deleted By 23022820843
97	KMTPC100N95012060	2008	KOMATSU PC8000-6	MV - Motor Vehicle	Current
98	HCM18J00L00001356	2012	HITACHI EX1200-6	MV - Motor Vehicle	Deleted By 23081523227
99	1FF870GXCCE870056	2014	JOHN DEERE 870G LC	MV - Motor Vehicle	Current
100	1FF870GXTCE870057	2014	JOHN DEERE 870G LC	MV - Motor Vehicle	Deleted By 23080103822

Search ID #: Z18218318

101	A40625	2014	KOMATSU PC490LC-10	MV - Motor Vehicle	Deleted By 21121318186
102	1FF470GXEEE470787	2014	JOHN DEERE 470G LC	MV - Motor Vehicle	Deleted By 21082020862
103	1FF870GXLCE870070	2014	JOHN DEERE 870G LC	MV - Motor Vehicle	Deleted By 22032127297
104	1FF870GXLCE870053	2014	JOHN DEERE 870G LC	MV - Motor Vehicle	Current
105	1FF870GXKCE870076	2015	JOHN DEERE 870G LC	MV - Motor Vehicle	Current
106	1FF870GXCCE870078	2015	JOHN DEERE 870G LC	MV - Motor Vehicle	Current
107	T791461373	1979	PACIFIC P16	MV - Motor Vehicle	Current
108	101580291104	2000	BOMAG BW213D-3	MV - Motor Vehicle	Current

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR EXCEPT THE FOLLOWING PERSONAL PROPERTY OF THE DEBTOR: 2005 CAT D11R 7PZ01038; 2006 CAT D11R 7PZ01345; 2006 CAT D10T RJG01102; 2009 CAT D11T GEB00361; 2008 CAT D8T KPZ03190; 1999 CAT D6R 9PN01349; 2007 CAT D8R 6YZ01720; 2007 CAT D9R ABK00979; 2007 CAT D9T RJS00672; 2005 CAT D10T RJG00305; 2007 CAT D11R 7PZ01502; 2008 CAT D11T GEB00274; 1999 CAT D6R 9PN01334; 2011 CAT D11T GEB00666; 2008 CAT 16M B9H00286; 2008 CAT 16H ATS00861; 2010 CAT 16M B9H00819; 2010 CAT 16M B9H00820; CAT 789B (FRAME ONLY) 9ZC00145; CAT 789B (FRAME ONLY) 9ZC00218; CAT 789B (FRAME ONLY) 7EK00139; 2007 CAT 777F JRP00708; 2007 CAT 777F JRP00709; 2006 CAT 777D AGC01608; 2007 CAT 777F JRP00380; 2007 CAT 777D AGC02297; 2007 KOMATSU HD1500-5 A30142; 2007 KOMATSU HD1500-5 A30143; 2007 KOMATSU HD1500-5 A30146; 2007 KOMATSU HD1500-5 A30157; 2010 CAT 777F JRP02350; 2010 CAT 777F JRP02378; 2000 KOMATSU PC1100SP-6 10117; 1998 CAT 924F 5NN01370; 2003 KOMATSU PC1250SP-7 20021; 2000 CAT 365B-L 9TZ00373; 2004 KOMATSU PC1250SP-7 20127; 2007 HITACHI EX1200-5D FF018FQ003098; 2008 KOMATSU PC1250LC-8 30124; 2006 KOMATSU PC1250SP-7 20407; KOMATSU PC1250LC-8 (FRAME ONLY); 2006 KOMATSU PC1250SP-8 30055; 2003 HITACHI ZX450LC-5 (FRAME ONLY) HCM16J00T00010523; 2005 HITACHI ZX230LC RJ410264; 1997 JOHN DEERE 624G DW624GD555983; 1997 CAT RF 2ZR00993; 2006 JOHN DEERE 624J DW624JP609784; 2010 CAT 385C L EDA00525; 2010 CAT 385C L EDA00526; 2010 KOMATSU PC2000-8 20230; 2009 KOMATSU PC1250 30145; 2010 MANITOU M50.4 591119; AND 2008 CAT 385C L EDA00481.	Deleted By 24082026424

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30 Time of Search: 09:50:49

Registration Number: 20121422934

Registration Date: 2020-Dec-14

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2025-Dec-14 23:59:59

Exact Match on: Debtor No: 1

**Amendments to Registration**

21011309253 Amendment 2021-Jan-13

22031522535 Amendment 2022-Mar-15

**Debtor(s)**

**Block**

**Status**  
Current

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X 6E6

**Block**

**Status**  
Deleted by  
22031522535

2 KMC MINING (BC) LTD.  
PO BOX 49290 1000 - 595 BURNARD STREET  
VANCOUVER, BC V7X1S8

**Secured Party / Parties**

**Block**

**Status**  
Deleted by  
21011309253

1 JOHN DEERE CANADA ULC  
3430 SUPERIOR COURT  
OAKVILLE, ON L6L 0C4  
Email: absecparties@avssystems.ca

**Block**

**Status**  
Current by  
21011309253

2 JOHN DEERE CANADA ULC  
295 HUNTER RD, PO BOX 1000  
GRIMSBY, ON L3M4H5  
Email: ABSecParties@eservicecorp.ca

Search ID #: Z18218318

**Collateral: Serial Number Goods**

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	1FF870GXHKF890071	2020	JOHN DEERE 870G	MV - Motor Vehicle	Current

**Collateral: General**

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	ONE JOHN DEERE 870GLC EXCAVATOR TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS OF EVERY TYPE, ITEM OR KIND IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH COLLATERAL INCLUDING WITHOUT LIMITATION TRADE-INS, EQUIPMENT, INVENTORY, GOODS, NOTES, CHATTEL PAPER, CONTRACT RIGHTS, ACCOUNTS, RENTAL PAYMENTS, SECURITIES, INTANGIBLES, DOCUMENTS OF TITLE AND MONEY AND ALL PROCEEDS OF PROCEEDS AND A RIGHT TO ANY INSURANCE PAYMENT AND ANY OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR THE PROCEEDS OF THE COLLATERAL.	Current



Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 21092405734

Registration Type: SECURITY AGREEMENT

Registration Date: 2021-Sep-24

Registration Status: Current

Expiry Date: 2027-Sep-24 23:59:59

Exact Match on: Debtor No: 1

**Amendments to Registration**

21093006786

Amendment

2021-Sep-30

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVE  
ACHESON, AB T7X6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 MERCEDES-BENZ FINANCIAL SERVICES CANADA CORPORATION  
2680 MATHESON BLVD. E. STE 500  
MISSISSAUGA, ON L4W0A5  
Email: albertaprod@teranet.ca

Current

**Block**

**Status**

2 DAIMLER TRUCK FINANCIAL  
2680 MATHESON BLVD. E. STE 500  
MISSISSAUGA, ON L4W0A5  
Email: albertaprod@teranet.ca

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	4UZABRFD1NCMU7936	2022	THOMAS C2	MV - Motor Vehicle	Current
2	4UZABRFD3NCNK8811	2022	THOMAS C2	MV - Motor Vehicle	Current
3	4UZABRFD7NCNK8813	2022	THOMAS C2	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	All attachments, accessories, additions, alterations, replacements & repairs (whether present or future) to the vehicle collateral. Proceeds: All cash and non-cash proceeds of the vehicle collateral including without limitation proceeds derived directly or indirectly from any dealing with the vehicle collateral or that indemnifies or compensates the debtor(s) for the destruction or damage to or loss of the vehicle collateral. The proceeds may take the form of any one or more of the following: Goods, documents of title, chattel paper, instruments, money, securities or intangibles. Accordingly, any of the debtor(s)' after-acquired personal property may be proceeds and therefore subject to the secured party's security interest.	Current
2	Includes 2022 251TS Thomas Saf-T-Liner C2 with Body No. 2162951	Current By 21093006786
3	Includes 2022 251TS Thomas Saf-T-Liner C2 with Body No. 2162789	Current By 21093006786
4	Includes 2022 251TS Thomas Saf-T-Liner C2 with Body No. 2161751	Current By 21093006786

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 21120216940

Registration Type: SECURITY AGREEMENT

Registration Date: 2021-Dec-02

Registration Status: Current

Expiry Date: 2027-Dec-02 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

<u>Block</u>		<u>Status</u>
1	KMC MINING CORPORATION 11564 149 ST NW EDMONTON, AB T5M 1W7	Current

**Secured Party / Parties**

<u>Block</u>		<u>Status</u>
1	JOHN DEERE CANADA ULC 295 HUNTER ROAD, P.O. BOX 1000 GRIMSBY, ON L3M 4H5 Email: absecparties@avssystems.ca	Current

**Collateral: Serial Number Goods**

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	1FF870GXLMF890116	2021	JOHN DEERE 870G	MV - Motor Vehicle	Current

**Collateral: General**

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	ONE JOHN DEERE 870GLC EXCAVATOR TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS OF EVERY TYPE, ITEM OR KIND IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH COLLATERAL INCLUDING WITHOUT LIMITATION TRADE-INS, EQUIPMENT, INVENTORY, GOODS, NOTES, CHATTEL PAPER, CONTRACT RIGHTS, ACCOUNTS, RENTAL PAYMENTS, SECURITIES, INTANGIBLES, DOCUMENTS OF TITLE AND MONEY AND ALL PROCEEDS OF PROCEEDS AND A RIGHT TO ANY INSURANCE PAYMENT AND ANY OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR THE PROCEEDS OF THE COLLATERAL.	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 21120903996

Registration Date: 2021-Dec-09

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2025-Dec-09 23:59:59

Exact Match on: Debtor No: 2

**Amendments to Registration**

22020726335	Amendment	2022-Feb-07
22092926785	Amendment	2022-Sep-29
23032922393	Amendment	2023-Mar-29
23032926428	Amendment	2023-Mar-29
23052623922	Amendment	2023-May-26
24050619384	Amendment	2024-May-06

**Debtor(s)**

**Block**

1 KMC MINING INC.  
28712-114 AVENUE  
ACHESON, AB T7X6E6

**Status**

Deleted by  
22020726335

**Block**

2 KMC MINING CORPORATION  
28712-114 AVENUE  
ACHESON, AB T7X6E6

**Status**

Current by  
22020726335

**Secured Party / Parties**

**Block**

1 SUMMIT ACCEPTANCE CORP  
1260 HIGHFIELD CRES SE  
CALGARY, AB T2G5M3  
Email: abpps\_notifications@kaizenauto.com

**Status**

Current

Search ID #: Z18218318

**Collateral: Serial Number Goods**

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	1FD0W5HT0HED73866	2017	FORD F550	MV - Motor Vehicle	Deleted By 23032926428
2	1FD0W5HT2HEE75170	2017	FORD F550	MV - Motor Vehicle	Deleted By 23052623922
3	1FD0W5HT4HEE59813	2017	FORD F550	MV - Motor Vehicle	Deleted By 22092926785
4	1FD0W5HT1HEE75161	2017	FORD F550	MV - Motor Vehicle	Deleted By 23032922393
5	1FD0W5HT3HEE75159	2017	FORD F550	MV - Motor Vehicle	Deleted By 23052623922
6	1FD0W5HT1HEE75158	2017	FORD F550	MV - Motor Vehicle	Deleted By 24050619384
7	1FD0W5HTXHEE75157	2017	FORD F550	MV - Motor Vehicle	Deleted By 23032922393
8	1FD0W5HT5HEE75163	2017	FORD F550	MV - Motor Vehicle	Deleted By 23052623922
9	1FD0W5HT3HEE75162	2017	FORD F550	MV - Motor Vehicle	Deleted By 23052623922
10	1FTEW1E53JFB13535	2018	FORD F150	MV - Motor Vehicle	Current
11	1FT7W2B62JEB00115	2018	FORD F250	MV - Motor Vehicle	Current
12	1FT7W2B65JEB00285	2018	FORD F250	MV - Motor Vehicle	Current
13	1FTEW1E56JFB74426	2018	FORD F150	MV - Motor Vehicle	Current
14	1FT7W2B65JEC30034	2018	FORD F250	MV - Motor Vehicle	Deleted By 23032922393
15	1FT8W3B69JEB67126	2018	FORD F350	MV - Motor Vehicle	Deleted By 23032922393
16	1FT7W2B60JEC30118	2018	FORD F250	MV - Motor Vehicle	Current
17	1FT7W2B64KEC00301	2019	FORD F250	MV - Motor Vehicle	Deleted By 22092926785
18	1FTEW1E55KFA45532	2019	FORD F150	MV - Motor Vehicle	Deleted By 23032922393
19	1FTFW1E58KFA45545	2019	FORD F150	MV - Motor Vehicle	Current
20	1FTEW1E47KFA01054	2019	FORD F150	MV - Motor Vehicle	Deleted By 23032922393
21	1FTEW1E41KFA70600	2019	FORD F150	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVE MENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL. PROCEEDS: GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 22012620677

Registration Date: 2022-Jan-26

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2025-Jan-26 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FD0W5HTXMEE01196	2021	FORD SUPER DUTY F-550 DRW	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

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Registration Number: 22012620967

Registration Date: 2022-Jan-26

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2025-Jan-26 23:59:59

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Exact Match on: Debtor No: 1

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**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FD0W5HT0MED15931	2021	FORD SUPER DUTY F-550 DRW	MV - Motor Vehicle	Current



Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 22012705125

Registration Type: SECURITY AGREEMENT

Registration Date: 2022-Jan-27

Registration Status: Current

Expiry Date: 2028-Jan-27 23:59:59

Exact Match on: Debtor No: 1

**Amendments to Registration**

23080407674

Amendment And Renewal

2023-Aug-04

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 - 114 AVE  
ACHESON, AB T7X 6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 SMS EQUIPMENT INC.  
11285 274 STREET  
ACHESON, AB T7X6P9  
Email: rpearce@smsequip.com

Deleted by  
23080407674

**Block**

**Status**

2 KOMATSU INTERNATIONAL (CANADA) INC.  
3755 BOUL MATTE, SUITE E  
BROSSARD, QC J4Y 2P4  
Email: judy.langlais@global.komatsu

Current by  
23080407674

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	80107	2021	KOMATSU D375A-8	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	ALL EQUIPMENT NOW AND HEREAFTER LEASED OR SOLD BY THE SECURED PARTY TO THE DEBTOR, INCLUDING WITHOUT LIMITATION, ALL ATTACHMENTS AND ACCESSIONS THERETO AND REPLACEMENTS AND PROCEEDS OF ANY THEREOF.	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 22012718709

Registration Type: SECURITY AGREEMENT

Registration Date: 2022-Jan-27

Registration Status: Current

Expiry Date: 2028-Jan-27 23:59:59

Exact Match on: Debtor No: 1

**Amendments to Registration**

23091911145

Amendment And Renewal

2023-Sep-19

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 - 114 AVE  
ACHESON, AB T7X 6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 SMS EQUIPMENT INC.  
11285 274 STREET  
ACHESON, AB T7X6P9  
Email: rpearce@smsequip.com

Deleted by  
23091911145

**Block**

**Status**

2 KOMATSU INTERNATIONAL (CANADA) INC.  
3755 BOUL MATTE, SUITE E  
BROSSARD, QC J4Y 2P4  
Email: judy.langlais@global.komatsu

Current by  
23091911145

**Collateral: Serial Number Goods**

**Block**

**Serial Number**

**Year**

**Make and Model**

**Category**

**Status**

1 80119 2021 KOMATSU D375A-8

MV - Motor Vehicle

Current

Search ID #: Z18218318

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	ALL EQUIPMENT NOW AND HEREAFTER LEASED OR SOLD BY THE SECURED PARTY TO THE DEBTOR, INCLUDING WITHOUT LIMITATION, ALL ATTACHMENTS AND ACCESSIONS THERETO AND REPLACEMENTS AND PROCEEDS OF ANY THEREOF.	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30 Time of Search: 09:50:49

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Registration Number: 22031432475

Registration Type: SECURITY AGREEMENT

Registration Date: 2022-Mar-14

Registration Status: Current

Expiry Date: 2025-Mar-14 23:59:59

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Exact Match on: Debtor No: 1

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**Debtor(s)**

<u>Block</u>		<u>Status</u>
1	KMC MINING CORPORATION 28712 114 AVENUE ACHESON, AB T7X6E6	Current

**Secured Party / Parties**

<u>Block</u>		<u>Status</u>
1	JIM PATTISON INDUSTRIES LTD. 4937 REGENT STREET BURNABY, BC V5C4H4 Email: info@jplease.com	Current

**Collateral: Serial Number Goods**

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	1FTFW1E86MKE84165	2021	FORD F-150	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

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Registration Number: 22031729744

Registration Type: SECURITY AGREEMENT

Registration Date: 2022-Mar-17

Registration Status: Current

Expiry Date: 2025-Mar-17 23:59:59

---

Exact Match on:

Debtor

No: 1

---

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

Current

---

**Secured Party / Parties**

**Block**

**Status**

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

Current

---

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FD0W5HT1NED58482	2022	FORD SUPER DUTY F-550 DRW	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

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Registration Number: 22040730162

Registration Type: SECURITY AGREEMENT

Registration Date: 2022-Apr-07

Registration Status: Current

Expiry Date: 2025-Apr-07 23:59:59

---

Exact Match on:

Debtor

No: 1

---

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

Current

---

**Secured Party / Parties**

**Block**

**Status**

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

Current

---

**Collateral: General**

**Block**

**Description**

**Status**

1 DESCRIPTION - PTO & PUMP & COMPRESSOR  
YEAR/MAKE/MODEL/MANUFACTURER - 2021 40 VMAC AIR COMPRESSOR

Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 22060730072

Registration Type: SECURITY AGREEMENT

Registration Date: 2022-Jun-07

Registration Status: Current

Expiry Date: 2029-Jun-07 23:59:59

Exact Match on:

Debtor

No: 1

**Amendments to Registration**

23030213746

Amendment And Renewal

2023-Mar-02

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 - 114 AVE  
ACHESON, AB T7X 6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 SMS EQUIPMENT INC.  
11285-274 STREET  
ACHESON, AB T7X 6P9  
Phone #: 780 948 2815 Fax #: 780 960 4637  
Email: dbrkic@smsequip.com

Deleted by  
23030213746

**Block**

**Status**

2 KOMATSU INTERNATIONAL (CANADA) INC.  
3755 BOUL MATTE, SUITE E  
BROSSARD, QC J4Y 2P4  
Email: judy.langlais@global.komatsu

Current by  
23030213746

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	A50160	2022	KOMATSU 830E-5	MV - Motor Vehicle	Current



Search ID #: Z18218318

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	ALL EQUIPMENT NOW AND HEREAFTER LEASED, SOLD OR FINANCED BY THE SECURED PARTY TO THE DEBTOR, INCLUDING WITHOUT LIMITATION, ALL ATTACHMENTS AND ACCESSIONS THERETO AND REPLACEMENTS AND PROCEEDS OF ANY THEREOF.	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30 Time of Search: 09:50:49

Registration Number: 22060730459

Registration Type: SECURITY AGREEMENT

Registration Date: 2022-Jun-07

Registration Status: Current

Expiry Date: 2029-Jun-07 23:59:59

Exact Match on: Debtor No: 1

**Amendments to Registration**

23030212831

Amendment And Renewal

2023-Mar-02

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 - 114 AVE  
ACHESON, AB T7X 6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 SMS EQUIPMENT INC.  
11285-274 STREET  
ACHESON, AB T7X 6P9  
Phone #: 780 948 2815 Fax #: 780 960 4637  
Email: dbrkic@smsequip.com

Deleted by  
23030212831

**Block**

**Status**

2 KOMATSU INTERNATIONAL (CANADA) INC.  
3755 BOUL MATTE, SUITE E  
BROSSARD, QC J4Y 2P4  
Email: judy.langlais@global.komatsu

Current by  
23030212831

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	A50162	2022	KOMATSU 830E-5	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	ALL EQUIPMENT NOW AND HEREAFTER LEASED, SOLD OR FINANCED BY THE SECURED PARTY TO THE DEBTOR, INCLUDING WITHOUT LIMITATION, ALL ATTACHMENTS AND ACCESSIONS THERETO AND REPLACEMENTS AND PROCEEDS OF ANY THEREOF.	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

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Registration Number: 22060919538

Registration Type: SECURITY AGREEMENT

Registration Date: 2022-Jun-09

Registration Status: Current

Expiry Date: 2027-Jun-09 23:59:59

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Exact Match on:

Debtor

No: 1

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**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

Current

---

**Secured Party / Parties**

**Block**

**Status**

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

Current

---

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1GTPUEEL1NZ538373	2022	GMC SIERRA 1500	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 22062016516

Registration Date: 2022-Jun-20

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2027-Jun-20 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
15564-149 STREET N.W.  
EDMONTON, AB T5M 1W7

Current

**Secured Party / Parties**

**Block**

**Status**

1 H-E PARTS INTERNATIONAL CANADA LTD.  
3905 ALLARD AVENUE  
LEDUC, AB T9E 0R8  
Email: jo-anne.vitek@h-eparts.ca

Current

**Collateral: General**

**Block**

**Description**

**Status**

1 ALL GOODS MANUFACTURED, DISTRIBUTED, OR SOLD BY THE SECURED PARTY TO THE DEBTOR AS FURTHER DESCRIBED UNDER INVOICES 68302, 68654, 68666, 68925, 68994, 69061, 69080, 69093, 69245, 69349, 69374, 69375, 69553, 69554, 69589, 69641, 69681, 70117, 70118, 70783, 70785, 70794, 71133 TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO, AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH THE COLLATERAL OR PROCEEDS THEREOF, AND WITHOUT LIMITATION, MONEY, CHEQUES, DEPOSITS IN DEPOSIT-TAKING INSTITUTIONS, GOODS, ACCOUNTS RECEIVABLE, RENTS OR OTHER PAYMENTS ARISING FROM THE LEASE OF THE COLLATERAL, CHATTEL PAPER, INSTRUMENTS, INTANGIBLES, DOCUMENTS OF TITLE, SECURITIES, AND RIGHTS OF INSURANCE PAYMENTS OR ANY OTHER PAYMENTS AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL.

Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 22072828038

Registration Type: SECURITY AGREEMENT

Registration Date: 2022-Jul-28

Registration Status: Current

Expiry Date: 2026-Jul-28 23:59:59

Exact Match on: Debtor No: 1

**Amendments to Registration**

22072902513

Amendment

2022-Jul-29

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
11564 149 STREET  
EDMONTON, AB T5M 1W7

Current

**Secured Party / Parties**

**Block**

**Status**

1 MERIDIAN ONECAP CREDIT CORP.  
SUITE 1500, 4710 KINGSWAY  
BURNABY, BC V5H 4M2  
Email: absecparties@avssystems.ca

Current

**Collateral: General**

**Block**

**Description**

**Status**

1 AIR DRY SYSTEM(S), AIR PACK TRUCK MOUNT(S) TOGETHER WITH ALL  
ATTACHMENTS ACCESSORIES ACCESSIONS REPLACEMENTS SUBSTITUTIONS  
ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS IN ANY FORM  
DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE AND OR DEALINGS WITH  
THE COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR OTHER  
PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE  
COLLATERAL OR PROCEEDS OF THE COLLATERAL

Deleted By  
22072902513

Search ID #: Z18218318

2 AIR DRY SYSTEM(S), AIR PAK TRUCK MOUNT(S)

Current By  
22072902513

TOGETHER WITH ALL ATTACHMENTS ACCESSORIES ACCESSIONS  
REPLACEMENTS SUBSTITUTIONS ADDITIONS AND IMPROVEMENTS THERETO  
AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM  
ANY SALE AND OR DEALINGS WITH THE COLLATERAL AND A RIGHT TO AN  
INSURANCE PAYMENT OR OTHER PAYMENT THAT INDEMNIFIES OR  
COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF  
THE COLLATERAL

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 22090213324

Registration Type: SECURITY AGREEMENT

Registration Date: 2022-Sep-02

Registration Status: Current

Expiry Date: 2028-Sep-02 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
11564 149 ST NW  
EDMONTON, AB T5M 1W7

Current

**Secured Party / Parties**

**Block**

**Status**

1 JOHN DEERE FINANCIAL INC.  
295 HUNTER ROAD, P.O. BOX 1000  
GRIMSBY, ON L3M 4H5  
Email: absecparties@avssystems.ca

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FF870GXJMF890126	2022	JOHN DEERE 870G	MV - Motor Vehicle	Current

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	ONE JOHN DEERE 870GLC EXCAVATOR TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS OF EVERY TYPE, ITEM OR KIND IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH COLLATERAL INCLUDING WITHOUT LIMITATION TRADE-INS, EQUIPMENT, INVENTORY, GOODS, NOTES, CHATTEL PAPER, CONTRACT RIGHTS, ACCOUNTS, RENTAL PAYMENTS, SECURITIES, INTANGIBLES, DOCUMENTS OF TITLE AND MONEY AND ALL PROCEEDS OF PROCEEDS AND A RIGHT TO ANY INSURANCE PAYMENT AND ANY OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR THE PROCEEDS OF THE COLLATERAL.	Current



Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 22092703024

Registration Date: 2022-Sep-27

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2027-Sep-27 23:59:59

Exact Match on: Debtor No: 1

Exact Match on: Debtor No: 2

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X 6E6

Current

**Block**

**Status**

2 KMC MINING CORPORATION  
12220 STONY PLAIN ROAD NW  
EDMONTON, AB T5N 3Y4

Current

**Secured Party / Parties**

**Block**

**Status**

1 DEUTSCHE LEASING CANADA, CORP.  
190 SOUTH LA SALLE STREET  
CHICAGO, IL 60603  
Email: business\_support@deutsche-leasingusa.com

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	0224321736	2021	Liebherr Crawler Tractor	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	One new 2021 Liebherr Crawler Tractor PR 736 LGP G8 Serial Number 022432-1736 with an upgraded cab, rear screen together with all replacement parts, additions, accessions, attachments and accessories now or hereafter made a part thereof, tangible or intangible, now or hereafter relating thereto or affixed thereon, including any documentation, records, manuals or information provided in connection therewith and all proceeds on or related to any of the foregoing.	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 22101433369

Registration Type: SECURITY AGREEMENT

Registration Date: 2022-Oct-14

Registration Status: Current

Expiry Date: 2027-Oct-14 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

<u>Block</u>		<u>Status</u>
1	KMC MINING CORPORATION 28712 114TH AVENUE ACHESON, AB T7X 6E6	Current

**Secured Party / Parties**

<u>Block</u>		<u>Status</u>
1	CATERPILLAR FINANCIAL SERVICES LIMITED 1122 INTERNATIONAL BLVD. SUITE 400 BURLINGTON, ON L7L 6Z8 Email: absecparties@avssystems.ca	Current

**Collateral: Serial Number Goods**

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	CAT0374FHEBF20057	2018	CATERPILLAR 374FL	MV - Motor Vehicle	Current

**Collateral: General**

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	ONE (1) 2018 CATERPILLAR 374FL HYDRAULIC EXCAVATOR S/N CAT0374FHEBF20057 TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL. PROCEEDS: GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 22101433556

Registration Type: SECURITY AGREEMENT

Registration Date: 2022-Oct-14

Registration Status: Current

Expiry Date: 2026-Oct-14 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

<u>Block</u>		<u>Status</u>
1	KMC MINING CORPORATION 28712 114TH AVENUE ACHESON, AB T7X 6E6	Current

**Secured Party / Parties**

<u>Block</u>		<u>Status</u>
1	CATERPILLAR FINANCIAL SERVICES LIMITED 1122 INTERNATIONAL BLVD. SUITE 400 BURLINGTON, ON L7L 6Z8 Email: absecparties@avssystems.ca	Current

**Collateral: Serial Number Goods**

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	CAT00D8TKMLN01822	2013	CATERPILLAR D8T	MV - Motor Vehicle	Current

**Collateral: General**

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	ONE (1) 2013 CATERPILLAR D8T TRACK TYPE TRACTOR S/N CAT00D8TKMLN01822 TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL. PROCEEDS: GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 22110204656

Registration Date: 2022-Nov-02

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2028-Nov-02 23:59:59

Exact Match on:

Debtor

No: 1

**Debtor(s)**

**Block**

**Status**

Current

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

**Secured Party / Parties**

**Block**

**Status**

Current

1 MITSUBISHI HC CAPITAL CANADA LEASING, INC.  
301-3390 SOUTH SERVICE RD.  
BURLINGTON, ON L7N3J5  
Email: legalca@mhcna.com

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FF670PAJNF000006	2023	JOHN DEERE 670PLC	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	<p>1 EXCAVATOR, JOHN DEERE, 670PLC,2023, N/S 1FF670PAJNF000006 THE PERSONAL PROPERTY DESCRIBED HEREIN, TOGETHER WITH ALL ACCESSORIES, OPTIONAL EQUIPMENT, COMPONENTS, PARTS, INSTRUMENTS, APPURTENANCES, FURNISHINGS AND OTHER EQUIPMENT OF WHATEVER NATURE OR KIND FURNISHED IN CONNECTION WITH ANY OF THE FOREGOING EQUIPMENT AND ANY REPLACEMENTS AND SUBSTITUTIONS THEREFOR (COLLECTIVELY, THE "EQUIPMENT"), AS WELL AS ALL OF THE DEBTOR'S PRESENT AND FUTURE RIGHTS, TITLE AND INTEREST IN THE FOLLOWING (THE "EQUIPMENT-RELATED COLLATERAL") (I) INTELLECTUAL PROPERTY AND OTHER INTANGIBLES RELATING TO THE EQUIPMENT OR EQUIPMENT-RELATED COLLATERAL (II) ANY CONTRACT FOR THE SALE, LEASE, RENTAL OR OTHER DISPOSITION OF THE EQUIPMENT (III) ALL INSURANCE CLAIMS AND PROCEEDS RESULTING FROM ANY LOSS OR DAMAGE TO THE EQUIPMENT OR THE EQUIPMENT-RELATED COLLATERAL AND (IV) ANY PROCEEDS OF THE EQUIPMENT OR EQUIPMENT-RELATED COLLATERAL, IN WHATEVER FORM IT MAY BE, INCLUDING WITHOUT LIMITATION, CHATTEL PAPER, TITLE DOCUMENTS, GOODS, INSTRUMENTS, OR MONEY.</p>	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 22110212049

Registration Date: 2022-Nov-02

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2027-Nov-02 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**

Current

1 KMC MINING CORPORATION  
28712 114 AVE  
ACHESON, AB T7X 6E6

**Secured Party / Parties**

**Block**

**Status**

Current

1 JOHN DEERE FINANCIAL INC.  
295 HUNTER ROAD, P.O. BOX 1000  
GRIMSBY, ON L3M 4H5  
Email: absecparties@avssystems.ca

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FF870GXVNF890131	2022	JOHN DEERE 870G	MV - Motor Vehicle	Current

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	ONE JOHN DEERE 870GLC EXCAVATOR TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS OF EVERY TYPE, ITEM OR KIND IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH COLLATERAL INCLUDING WITHOUT LIMITATION TRADE-INS, EQUIPMENT, INVENTORY, GOODS, NOTES, CHATTEL PAPER, CONTRACT RIGHTS, ACCOUNTS, RENTAL PAYMENTS, SECURITIES, INTANGIBLES, DOCUMENTS OF TITLE AND MONEY AND ALL PROCEEDS OF PROCEEDS AND A RIGHT TO ANY INSURANCE PAYMENT AND ANY OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR THE PROCEEDS OF THE COLLATERAL.	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 22110212073

Registration Date: 2022-Nov-02

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2027-Nov-02 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVE  
ACHESON, AB T7X 6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 JOHN DEERE FINANCIAL INC.  
295 HUNTER ROAD, P.O. BOX 1000  
GRIMSBY, ON L3M 4H5  
Email: absecparties@avssystems.ca

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FF870GXANF890132	2022	JOHN DEERE 870G	MV - Motor Vehicle	Current

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	ONE JOHN DEERE 870GLC EXCAVATOR TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS OF EVERY TYPE, ITEM OR KIND IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH COLLATERAL INCLUDING WITHOUT LIMITATION TRADE-INS, EQUIPMENT, INVENTORY, GOODS, NOTES, CHATTEL PAPER, CONTRACT RIGHTS, ACCOUNTS, RENTAL PAYMENTS, SECURITIES, INTANGIBLES, DOCUMENTS OF TITLE AND MONEY AND ALL PROCEEDS OF PROCEEDS AND A RIGHT TO ANY INSURANCE PAYMENT AND ANY OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR THE PROCEEDS OF THE COLLATERAL.	Current



Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 22110212135

Registration Date: 2022-Nov-02

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2027-Nov-02 23:59:59

Exact Match on: Debtor No: 1

**Amendments to Registration**

22110422362

Amendment

2022-Nov-04

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVE  
ACHESON, AB T7X 6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 JOHN DEERE FINANCIAL INC.  
295 HUNTER ROAD, P.O. BOX 1000  
GRIMSBY, ON L3M 4H5  
Email: absecparties@avssystems.ca

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FF870GXCNF890136	2022	JOHN DEERE 870G	MV - Motor Vehicle	Current
2	1FF870GXLMF890116	2021	JOHN DEERE 870G	MV - Motor Vehicle	Current By 22110422362
3	1FF870GXJMF890126	2022	JOHN DEERE 870G	MV - Motor Vehicle	Current By 22110422362
4	1FF870GXHKF890071	2020	JOHN DEERE 870G	MV - Motor Vehicle	Current By 22110422362

Search ID #: Z18218318

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	ONE JOHN DEERE 870GLC EXCAVATOR TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS OF EVERY TYPE, ITEM OR KIND IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH COLLATERAL INCLUDING WITHOUT LIMITATION TRADE-INS, EQUIPMENT, INVENTORY, GOODS, NOTES, CHATTEL PAPER, CONTRACT RIGHTS, ACCOUNTS, RENTAL PAYMENTS, SECURITIES, INTANGIBLES, DOCUMENTS OF TITLE AND MONEY AND ALL PROCEEDS OF PROCEEDS AND A RIGHT TO ANY INSURANCE PAYMENT AND ANY OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR THE PROCEEDS OF THE COLLATERAL.	Deleted By 22110422362
2	ONE JOHN DEERE 870GLC EXCAVATOR ONE JOHN DEERE 870G EXCAVATOR ONE JOHN DEERE 870G EXCAVATOR ONE JOHN DEERE 870G EXCAVATOR TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS OF EVERY TYPE, ITEM OR KIND IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH COLLATERAL INCLUDING WITHOUT LIMITATION TRADE-INS, EQUIPMENT, INVENTORY, GOODS, NOTES, CHATTEL PAPER, CONTRACT RIGHTS, ACCOUNTS, RENTAL PAYMENTS, SECURITIES, INTANGIBLES, DOCUMENTS OF TITLE AND MONEY AND ALL PROCEEDS OF PROCEEDS AND A RIGHT TO ANY INSURANCE PAYMENT AND ANY OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR THE PROCEEDS OF THE COLLATERAL.	Current By 22110422362

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

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Registration Number: 22110219317

Registration Type: SECURITY AGREEMENT

Registration Date: 2022-Nov-02

Registration Status: Current

Expiry Date: 2028-Nov-02 23:59:59

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Exact Match on: Debtor No: 1

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**Debtor(s)**

**Block**

**Status**

Current

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

**Secured Party / Parties**

**Block**

**Status**

Current

1 MITSUBISHI HC CAPITAL CANADA LEASING, INC.  
301-3390 SOUTH SERVICE RD.  
BURLINGTON, ON L7N3J5  
Email: legalca@mhccna.com

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FF670PAKNF000005	2023	JOHN DEERE 670PLC	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	<p>THE PERSONAL PROPERTY DESCRIBED HEREIN, TOGETHER WITH ALL ACCESSORIES, OPTIONAL EQUIPMENT, COMPONENTS, PARTS, INSTRUMENTS, APPURTENANCES, FURNISHINGS AND OTHER EQUIPMENT OF WHATEVER NATURE OR KIND FURNISHED IN CONNECTION WITH ANY OF THE FOREGOING EQUIPMENT AND ANY REPLACEMENTS AND SUBSTITUTIONS THEREFOR (COLLECTIVELY, THE "EQUIPMENT"), AS WELL AS ALL OF THE DEBTOR'S PRESENT AND FUTURE RIGHTS, TITLE AND INTEREST IN THE FOLLOWING (THE "EQUIPMENT-RELATED COLLATERAL")</p> <p>(I) INTELLECTUAL PROPERTY AND OTHER INTANGIBLES RELATING TO THE EQUIPMENT OR EQUIPMENT-RELATED COLLATERAL</p> <p>(II) ANY CONTRACT FOR THE SALE, LEASE, RENTAL OR OTHER DISPOSITION OF THE EQUIPMENT</p> <p>(III) ALL INSURANCE CLAIMS AND PROCEEDS RESULTING FROM ANY LOSS OR DAMAGE TO THE EQUIPMENT OR THE EQUIPMENT-RELATED COLLATERAL AND</p> <p>(IV) ANY PROCEEDS OF THE EQUIPMENT OR EQUIPMENT-RELATED COLLATERAL, IN WHATEVER FORM IT MAY BE, INCLUDING WITHOUT LIMITATION, CHATTEL PAPER, TITLE DOCUMENTS, GOODS, INSTRUMENTS, OR MONEY.</p>	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 22110227268

Registration Date: 2022-Nov-02

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2029-Nov-02 23:59:59

Exact Match on: Debtor No: 1

**Amendments to Registration**

23030213659

Amendment And Renewal

2023-Mar-02

**Debtor(s)**

**Block**

**Status**  
Current

1 KMC MINING CORPORATION  
28712 - 114 AVENUE  
ACHESON, AB T7X 6E6

**Secured Party / Parties**

**Block**

**Status**  
Deleted by  
23030213659

1 SMS EQUIPMENT INC.  
11285-274 STREET  
ACHESON, AB T7X 6P9  
Phone #: 780 948 2815 Fax #: 780 960 4637  
Email: albertrand@smsequip.com

**Block**

**Status**  
Current by  
23030213659

2 KOMATSU INTERNATIONAL (CANADA) INC.  
3755 BOUL MATTE, SUITE E  
BROSSARD, QC J4Y 2P4  
Email: judy.langlais@global.komatsu

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	A50173	2022	KOMATSU 830E-5	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	ALL EQUIPMENT NOW AND HEREAFTER LEASED, SOLD OR FINANCED BY THE SECURED PARTY TO THE DEBTOR, INCLUDING WITHOUT LIMITATION, ALL ATTACHMENTS AND ACCESSIONS THERETO AND REPLACEMENTS AND PROCEEDS OF ANY THEREOF.	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 22110227634

Registration Type: SECURITY AGREEMENT

Registration Date: 2022-Nov-02

Registration Status: Current

Expiry Date: 2028-Nov-02 23:59:59

Exact Match on:

Debtor

No: 1

### Amendments to Registration

23120707202

Amendment And Renewal

2023-Dec-07

### Debtor(s)

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 - 114 AVENUE  
ACHESON, AB T7X 6E6

Current

### Secured Party / Parties

**Block**

**Status**

1 SMS EQUIPMENT INC.  
11285-274 STREET  
ACHESON, AB T7X 6P9  
Phone #: 780 948 2815 Fax #: 780 960 4637  
Email: albertrand@smsequip.com

Deleted by  
23120707202

**Block**

**Status**

2 KOMATSU INTERNATIONAL (CANADA) INC.  
3755 BOUL MATTE, SUITE E  
BROSSARD, QC J4Y2P4  
Email: judy.langlais@global.komatsu

Current by  
23120707202

### Collateral: Serial Number Goods

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	80094	2021	KOMATSU D375A-8	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	ALL EQUIPMENT NOW AND HEREAFTER LEASED, SOLD OR FINANCED BY THE SECURED PARTY TO THE DEBTOR, INCLUDING WITHOUT LIMITATION, ALL ATTACHMENTS AND ACCESSIONS THERETO AND REPLACEMENTS AND PROCEEDS OF ANY THEREOF.	Current



Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 22110227685

Registration Type: SECURITY AGREEMENT

Registration Date: 2022-Nov-02

Registration Status: Current

Expiry Date: 2026-Nov-02 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

<u>Block</u>		<u>Status</u>
1	KMC MINING CORPORATION 28712 114TH AVENUE ACHESON, AB T7X 6E6	Current

**Secured Party / Parties**

<u>Block</u>		<u>Status</u>
1	CATERPILLAR FINANCIAL SERVICES LIMITED 1122 INTERNATIONAL BLVD. SUITE 400 BURLINGTON, ON L7L 6Z8 Email: absecparties@avssystems.ca	Current

**Collateral: Serial Number Goods**

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	CAT00D8TLFMC01205	2017	CATERPILLAR D8T	MV - Motor Vehicle	Current

**Collateral: General**

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	ONE (1) 2017 CATERPILLAR D8T TRACK TYPE TRACTOR S/N CAT00D8TLFMC01205 TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL. PROCEEDS: GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 22110227870

Registration Type: SECURITY AGREEMENT

Registration Date: 2022-Nov-02

Registration Status: Current

Expiry Date: 2026-Nov-02 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

<u>Block</u>		<u>Status</u>
1	KMC MINING CORPORATION 28712 114TH AVENUE ACHESON, AB T7X 6E6	Current

**Secured Party / Parties**

<u>Block</u>		<u>Status</u>
1	CATERPILLAR FINANCIAL SERVICES LIMITED 1122 INTERNATIONAL BLVD. SUITE 400 BURLINGTON, ON L7L 6Z8 Email: absecparties@avssystems.ca	Current

**Collateral: Serial Number Goods**

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	CAT00D8TAFMC01669	2018	CATERPILLAR D8T	MV - Motor Vehicle	Current

**Collateral: General**

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	ONE (1) 2018 CATERPILLAR D8T TRACK TYPE TRACTOR S/N CAT00D8TAFMC01669 TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL. PROCEEDS: GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 22110304096

Registration Date: 2022-Nov-03

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2028-Nov-03 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

<u>Block</u>		<u>Status</u>
1	KMC MINING CORPORATION 600-12220 STONY PLAIN RD. NW EDMONTON, ON T5N 3Y4	Current

**Secured Party / Parties**

<u>Block</u>		<u>Status</u>
1	DEUTSCHE LEASING CANADA, CORP. 190 SOUTH LA SALLE STREET, SUITE 2150 CHICAGO, IL 60603 Email: business_support@deutsche-leasingusa.com	Current

**Collateral: Serial Number Goods**

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	24277	2022	Liebherr PR 776	MV - Motor Vehicle	Current

**Collateral: General**

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	One new Liebherr PR 776 Dozer Serial Number 24277 including a U-blade of 5270 x 2120 mm with an HD cutting edge, along with a capacity of 22.0 m3 together with all replacement parts, additions, accessions, attachments and accessories now or hereafter made a part thereof, tangible or intangible, now or hereafter relating thereto or affixed thereon, including any documentation, records, manuals or information provided in connection therewith and all proceeds on or related to any of the foregoing.	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

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Registration Number: 22110409314

Registration Type: SECURITY AGREEMENT

Registration Date: 2022-Nov-04

Registration Status: Current

Expiry Date: 2027-Nov-04 23:59:59

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Exact Match on: Debtor No: 1

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**Debtor(s)**

**Block**

**Status**  
Current

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

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**Secured Party / Parties**

**Block**

**Status**  
Current

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

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**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FT7W2B66NEF16383	2022	FORD SUPER DUTY F-250 SRW	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 22110907454

Registration Type: SECURITY AGREEMENT

Registration Date: 2022-Nov-09

Registration Status: Current

Expiry Date: 2028-Nov-09 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

<u>Block</u>		<u>Status</u>
1	KMC MINING CORPORATION 28712 114 AVE ACHESON, AB T7X6E6	Current

**Secured Party / Parties**

<u>Block</u>		<u>Status</u>
1	DAIMLER TRUCK FINANCIAL SERVICES CANADA CORPORATION 2680 MATHESON BLVD E. SUITE 202 MISSISSAUGA, ON L4W 0A5 Email: albertaprod@teranet.ca	Current

**Collateral: Serial Number Goods**

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	4UZABRFA6NCMU8800	2022	THOMAS BUILT BUSES C2	MV - Motor Vehicle	Current
2	4UZABRFA0NCNE6670	2022	THOMAS BUILT BUSES C2	MV - Motor Vehicle	Current

**Collateral: General**

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	All attachments, accessories, additions, alterations, replacements & repairs (whether present or future) to the vehicle collateral. Proceeds: All cash and non-cash proceeds of the vehicle collateral including without limitation proceeds derived directly or indirectly from any dealing with the vehicle collateral or that indemnifies or compensates the debtor(s) for the destruction or damage to or loss of the vehicle collateral. The proceeds may take the form of any one or more of the following: Goods, documents of title, chattel paper, instruments, money, securities or intangibles. Accordingly, any of the debtor(s)' after-acquired personal property may be proceeds and therefore subject to the secured party's security interest.	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 22111615443

Registration Date: 2022-Nov-16

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2027-Nov-16 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FT7W2B66NEE99617	2022	FORD SUPER DUTY F-250 SRW	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 22113017356

Registration Type: SECURITY AGREEMENT

Registration Date: 2022-Nov-30

Registration Status: Current

Expiry Date: 2027-Nov-30 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FTFW1E53NFC22264	2022	FORD F-150	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 22113017436

Registration Date: 2022-Nov-30

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2027-Nov-30 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**  
Current

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

**Secured Party / Parties**

**Block**

**Status**  
Current

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FTFW1E50NFC23372	2022	FORD F-150	MV - Motor Vehicle	Current



Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

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Registration Number: 23011117864

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Jan-11

Registration Status: Current

Expiry Date: 2027-Jan-11 23:59:59

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Exact Match on: Debtor No: 1

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**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVE  
ACHESON, AB T7X 6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 TDF GROUP INC.  
17631 103 AVE NW  
EDMONTON, AB T5S 1N8  
Email: gtayag@drivingforcegroup.com

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FDUF5HT3KEG27451	2019	FORD SUPER DUTY F-550	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

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Registration Number: 23011123545

Registration Date: 2023-Jan-11

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2028-Jan-11 23:59:59

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Exact Match on:

Debtor

No: 1

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**Debtor(s)**

**Block**

**Status**

Current

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

---

**Secured Party / Parties**

**Block**

**Status**

Current

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

---

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FT7W2B64NEF16382	2022	FORD SUPER DUTY F-250 SRW	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 23011126964

Registration Date: 2023-Jan-11

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2028-Jan-11 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1GT49ME74PF197069	2023	GMC SIERRA 2500HD	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 23011335694

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Jan-13

Registration Status: Current

Expiry Date: 2029-Jan-13 23:59:59

Exact Match on: Debtor No: 1

**Amendments to Registration**

23030213187

Amendment And Renewal

2023-Mar-02

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 - 114 AVENUE  
ACHESON, AB T7X 6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 SMS EQUIPMENT INC.  
11285-274 STREET  
ACHESON, AB T7X 6P9  
Phone #: 780 948 2820  
Email: albertrand@smsequip.com

Deleted by  
23030213187

**Block**

**Status**

2 KOMATSU INTERNATIONAL (CANADA) INC.  
3755 BOUL MATTE, SUITE E  
BROSSARD, QC J4Y 2P4  
Email: judy.langlais@global.komatsu

Current by  
23030213187

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	A50163	2022	KOMATSU 830E-5	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	ALL EQUIPMENT NOW AND HEREAFTER LEASED, SOLD OR FINANCED BY THE SECURED PARTY TO THE DEBTOR, INCLUDING WITHOUT LIMITATION, ALL ATTACHMENTS AND ACCESSIONS THERETO AND REPLACEMENTS AND PROCEEDS OF ANY THEREOF.	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

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Registration Number: 23011708187

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Jan-17

Registration Status: Current

Expiry Date: 2028-Jan-17 23:59:59

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Exact Match on:

Debtor

No: 1

---

**Debtor(s)**

**Block**

**Status**

Current

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

---

**Secured Party / Parties**

**Block**

**Status**

Current

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

---

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FT7W2B62NEF16381	2022	FORD SUPER DUTY F-250 SRW	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 23012011970

Registration Date: 2023-Jan-20

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2028-Jan-20 23:59:59

Exact Match on: Debtor No: 1

**Amendments to Registration**

23042536776

Amendment

2023-Apr-25

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 - 114 AVENUE  
ACHESON, AB T7X 6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 SMS EQUIPMENT INC.  
11285-274 STREET  
ACHESON, AB T7X 6P9  
Phone #: 780 948 2820 Fax #: 780 960 4637  
Email: albertrand@smsequip.com

Deleted by  
23042536776

**Block**

**Status**

2 KOMATSU INTERNATIONAL (CANADA) INC.  
3755 BOUL MATTE, SUITE E  
BROSSARD, QC J4Y 2P4  
Email: judy.langlais@global.komatsu

Current by  
23042536776

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	A40301	2022	KOMATSU 930E-5	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	ALL EQUIPMENT NOW AND HEREAFTER LEASED, SOLD OR FINANCED BY THE SECURED PARTY TO THE DEBTOR, INCLUDING WITHOUT LIMITATION, ALL ATTACHMENTS AND ACCESSIONS THERETO AND REPLACEMENTS AND PROCEEDS OF ANY THEREOF.	Current



Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 23012012162

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Jan-20

Registration Status: Current

Expiry Date: 2028-Jan-20 23:59:59

Exact Match on: Debtor No: 1

**Amendments to Registration**

23042536747

Amendment

2023-Apr-25

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 - 114 AVENUE  
ACHESON, AB T7X 6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 SMS EQUIPMENT INC.  
11285-274 STREET  
ACHESON, AB T7X 6P9  
Phone #: 780 948 2820 Fax #: 780 960 4637  
Email: albertrand@smsequip.com

Deleted by  
23042536747

**Block**

**Status**

2 KOMATSU INTERNATIONAL (CANADA) INC.  
3755 BOUL MATTE, SUITE E  
BROSSARD, QC J4Y 2P4  
Email: judy.langlais@global.komatsu

Current by  
23042536747

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	A40310	2022	KOMATSU 930E-5	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	ALL EQUIPMENT NOW AND HEREAFTER LEASED, SOLD OR FINANCED BY THE SECURED PARTY TO THE DEBTOR, INCLUDING WITHOUT LIMITATION, ALL ATTACHMENTS AND ACCESSIONS THERETO AND REPLACEMENTS AND PROCEEDS OF ANY THEREOF.	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 23012012311

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Jan-20

Registration Status: Current

Expiry Date: 2028-Jan-20 23:59:59

Exact Match on:

Debtor

No: 1

**Amendments to Registration**

23071717414

Amendment

2023-Jul-17

**Debtor(s)**

**Block**

**Status**

Current

1 KMC MINING CORPORATION  
28712 - 114 AVENUE  
ACHESON, AB T7X 6E6

**Secured Party / Parties**

**Block**

**Status**

Deleted by  
23071717414

1 SMS EQUIPMENT INC.  
11285-274 STREET  
ACHESON, AB T7X 6P9  
Phone #: 780 948 2820 Fax #: 780 960 4637  
Email: albertrand@smsequip.com

**Block**

**Status**

Current by  
23071717414

2 KOMATSU INTERNATIONAL (CANADA) INC.  
3755 BOUL MATTE, SUITE E  
BROSSARD, QC J4Y 2P  
Email: judy.langlais@global.komatsu

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	A40318	2023	KOMATSU 930E-5	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	ALL EQUIPMENT NOW AND HEREAFTER LEASED, SOLD OR FINANCED BY THE SECURED PARTY TO THE DEBTOR, INCLUDING WITHOUT LIMITATION, ALL ATTACHMENTS AND ACCESSIONS THERETO AND REPLACEMENTS AND PROCEEDS OF ANY THEREOF.	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 23041126723

Registration Date: 2023-Apr-11

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2027-Apr-11 23:59:59

Exact Match on: Debtor No: 1

**Amendments to Registration**

23042614502

Amendment

2023-Apr-26

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X 5A5

Current

**Secured Party / Parties**

**Block**

**Status**

1 PNC VENDOR FINANCE CORPORATION CANADA  
2-4145 NORTH SERVICE ROAD  
BURLINGTON, ON L7L 6A3  
Email: absecparties@avssystems.ca

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	B53C11623	2023	BOBCAT L85	MV - Motor Vehicle	Current

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	2023 BOBCAT L85 SMALL ARTICULATED LOADER S/N B53C11623 TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, PARTS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO ANY OF THE FOREGOING. ANY AND ALL PROCEEDS ARISING FROM THE COLLATERAL, INCLUDING, WITHOUT LIMITATION, ACCOUNTS, MONEY, CHATTEL PAPER, INTANGIBLES, GOODS, DOCUMENTS OF TITLE, LICENSES, INSTRUMENTS, SECURITIES, SUBSTITUTIONS, TRADE-INS, INSURANCE PROCEEDS AND ANY OTHER FORM OF PROCEED.	Deleted By 23042614502

Search ID #: Z18218318

- 2      2023 BOBCAT L85 COMPACT WHEEL LOADER C/W 80" BUCKET & PALLET FORKS      Current By  
S/N B53C11623 TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES,      23042614502  
ACCESSIONS, PARTS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND  
IMPROVEMENTS TO ANY OF THE FOREGOING. ANY AND ALL PROCEEDS ARISING  
FROM THE COLLATERAL, INCLUDING, WITHOUT LIMITATION, ACCOUNTS, MONEY,  
CHattel PAPER, INTANGIBLES, GOODS, DOCUMENTS OF TITLE, LICENSES,  
INSTRUMENTS, SECURITIES, SUBSTITUTIONS, TRADE-INS, INSURANCE  
PROCEEDS AND ANY OTHER FORM OF PROCEED.

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 23041725313

Registration Date: 2023-Apr-17

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2026-Apr-17 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**

Current

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

**Secured Party / Parties**

**Block**

**Status**

Current

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FT7W2B66MED32950	2021	FORD SUPER DUTY F-250 SRW	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

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Registration Number: 23041726174

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Apr-17

Registration Status: Current

Expiry Date: 2026-Apr-17 23:59:59

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Exact Match on:

Debtor

No: 1

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**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FT7W2B63MED32954	2021	FORD SUPER DUTY F-250 SRW	MV - Motor Vehicle	Current



Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

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Registration Number: 23041726617

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Apr-17

Registration Status: Current

Expiry Date: 2026-Apr-17 23:59:59

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Exact Match on:

Debtor

No: 1

---

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

Current

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**Secured Party / Parties**

**Block**

**Status**

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

Current

---

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FT7W2B64MED31876	2021	FORD SUPER DUTY F-250 SRW	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 23042521276

Registration Date: 2023-Apr-25

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2027-Apr-25 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114TH AVENUE  
ACHESON, AB T7X 6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 CATERPILLAR FINANCIAL SERVICES LIMITED  
1122 INTERNATIONAL BLVD. SUITE 400  
BURLINGTON, ON L7L 6Z8  
Email: absecparties@avssystems.ca

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	CAT0793DCFDB00279	2007	CATERPILLAR 793D	MV - Motor Vehicle	Current

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	ONE (1) 2007 CATERPILLAR 793D OFF HIGHWAY TRUCK S/N CAT0793DCFDB00279 TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL. PROCEEDS: GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 23053131658

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-May-31

Registration Status: Current

Expiry Date: 2025-May-31 23:59:59

Exact Match on: Debtor No: 1

**Amendments to Registration**

23061221354	Amendment	2023-Jun-12
24030429814	Renewal	2024-Mar-04

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVE  
ACHESON, AB T7X 6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 CUMMINC CANADA ULC  
300 TAIGANOVA CRES  
FORT MCMURRAY, AB T9K 0T4  
Phone #: 780 714 1395  
Email: ADAM.BROWN@CUMMINS.COM

Deleted by  
23061221354

**Block**

**Status**

2 CUMMINS CANADA ULC  
300 TAIGANOVA CRES  
FORT MCMURRAY, AB T9K 0T4  
Phone #: 780 714 1395  
Email: ADAM.BROWN@CUMMINS.COM

Current by  
23061221354

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	400004	2000	RH400 O&K	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	<p>-ONE (1) 2000 TEREX RH400 SHOVEL BEARING SERIAL NUMBER 400004 TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL.</p> <p>-PROCEEDS: GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.</p>	<p>Current By 23061221354</p>

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

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Registration Number: 23060102813

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Jun-01

Registration Status: Current

Expiry Date: 2027-Jun-01 23:59:59

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Exact Match on: Debtor No: 1

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**Debtor(s)**

**Block**

**Status**

Current

1 KMC MINING CORPORATION  
28712-114AVE  
ACHESON, AB T7X 5A5

**Secured Party / Parties**

**Block**

**Status**

Current

1 MERIDIAN ONECAP CREDIT CORP.  
204 - 3185 WILLINGDON GREEN  
BURNABY, BC V5G 4P3  
Email: absecparties@avssystems.ca

**Collateral: General**

**Block**

**Description**

**Status**

Current

1 WELDING MACHINE(S) TOGETHER WITH ALL ATTACHMENTS ACCESSORIES  
ACCESSIONS REPLACEMENTS SUBSTITUTIONS ADDITIONS AND IMPROVEMENTS  
THERE TO AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY  
FROM ANY SALE AND OR DEALINGS WITH THE COLLATERAL AND A RIGHT TO AN  
INSURANCE PAYMENT OR OTHER PAYMENT THAT INDEMNIFIES OR  
COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF  
THE COLLATERAL

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 23060921565

Registration Date: 2023-Jun-09

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2029-Jun-09 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 MITSUBISHI HC CAPITAL CANADA LEASING, INC.  
401-1100 BURLOAK DRIVE  
BURLINGTON, ON L7L6B2  
Email: legalca@mhccna.com

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1NPCLP0X4PD881274	2023	PETERBILT FUEL LUBE TRUCK	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	<p>THE PERSONAL PROPERTY DESCRIBED HEREIN, TOGETHER WITH ALL ACCESSORIES, OPTIONAL EQUIPMENT, COMPONENTS, PARTS, INSTRUMENTS, APPURTENANCES, FURNISHINGS AND OTHER EQUIPMENT OF WHATEVER NATURE OR KIND FURNISHED IN CONNECTION WITH ANY OF THE FOREGOING EQUIPMENT AND ANY REPLACEMENTS AND SUBSTITUTIONS THEREFOR (COLLECTIVELY, THE "EQUIPMENT"), AS WELL AS ALL OF THE DEBTOR'S PRESENT AND FUTURE RIGHTS, TITLE AND INTEREST IN THE FOLLOWING (THE "EQUIPMENT-RELATED COLLATERAL")</p> <p>(I) INTELLECTUAL PROPERTY AND OTHER INTANGIBLES RELATING TO THE EQUIPMENT OR EQUIPMENT-RELATED COLLATERAL</p> <p>(II) ANY CONTRACT FOR THE SALE, LEASE, RENTAL OR OTHER DISPOSITION OF THE EQUIPMENT</p> <p>(III) ALL INSURANCE CLAIMS AND PROCEEDS RESULTING FROM ANY LOSS OR DAMAGE TO THE EQUIPMENT OR THE EQUIPMENT-RELATED COLLATERAL AND</p> <p>(IV) ANY PROCEEDS OF THE EQUIPMENT OR EQUIPMENT-RELATED COLLATERAL, IN WHATEVER FORM IT MAY BE, INCLUDING WITHOUT LIMITATION, CHATTEL PAPER, TITLE DOCUMENTS, GOODS, INSTRUMENTS, OR MONEY.</p>	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 23062308234

Registration Date: 2023-Jun-23

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2033-Jun-23 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
600-12220 STONY PLAIN ROAD NW  
EDMONTON, AB T5N 3Y4

Current

**Secured Party / Parties**

**Block**

**Status**

1 DEUTSCHE LEASING CANADA, CORP.  
190 SOUTH LA SALLE STREET, SUITE 2150  
CHICAGO, IL 60603  
Email: support@deutsche-leasingusa.com

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	025121	2022	LIEBHERR PR 776	MV - Motor Vehicle	Current

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	ONE NEW LIEBHERR PR 776 DOZER SERIAL NUMBER 025121 INCLUDING A U-BLADE OF 5270 X 2120 MM WITH AN HD CUTTING EDGE, ALONG WITH A CAPACITY OF 22.0 M3 TOGETHER WITH ALL REPLACEMENT PARTS, ADDITIONS, ACCESSIONS, ATTACHMENTS AND ACCESSORIES NOW OR HEREAFTER MADE A PART THEREOF, TANGIBLE OR INTANGIBLE, NOW OR HEREAFTER RELATING THERETO OR AFFIXED THEREON, INCLUDING ANY DOCUMENTATION, RECORDS, MANUALS OR INFORMATION PROVIDED IN CONNECTION THEREWITH AND ALL PROCEEDS ON OR RELATED TO ANY OF THE FOREGOING. AND IN THE SERIAL NUMBER SECTION USE SERIAL NUMBER 025121	Current



Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

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Registration Number: 23071716759

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Jul-17

Registration Status: Current

Expiry Date: 2028-Jul-17 23:59:59

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Exact Match on: Debtor No: 1

---

**Debtor(s)**

**Block**

**Status**

Current

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

**Secured Party / Parties**

**Block**

**Status**

Current

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FTFW1E81PFB85230	2023	FORD F-150	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 23071818285

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Jul-18

Registration Status: Current

Expiry Date: 2028-Jul-18 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**  
Current

1 KMC MINING CORPORATION  
28712 - 114 AVENUE  
ACHESON, AB T7X 6E6

**Secured Party / Parties**

**Block**

**Status**  
Current

1 SMS EQUIPMENT INC.  
11285-274 STREET  
ACHESON, AB T7X 6P9  
Phone #: 780 948 2820 Fax #: 780 960 4637  
Email: albertrand@smsequip.com

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	A50224	2022	KOMATSU 830E-5	MV - Motor Vehicle	Current

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	ALL EQUIPMENT NOW AND HEREAFTER LEASED, SOLD OR FINANCED BY THE SECURED PARTY TO THE DEBTOR, INCLUDING WITHOUT LIMITATION, ALL ATTACHMENTS AND ACCESSIONS THERETO AND REPLACEMENTS AND PROCEEDS OF ANY THEREOF.	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 23071818490

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Jul-18

Registration Status: Current

Expiry Date: 2028-Jul-18 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 - 114 AVENUE  
ACHESON, AB T7X 6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 SMS EQUIPMENT INC.  
11285-274 STREET  
ACHESON, AB T7X 6P9  
Phone #: 780 948 2820 Fax #: 780 960 4637  
Email: albertrand@smsequip.com

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	A50225	2022	KOMATSU 830E-5	MV - Motor Vehicle	Current

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	ALL EQUIPMENT NOW AND HEREAFTER LEASED, SOLD OR FINANCED BY THE SECURED PARTY TO THE DEBTOR, INCLUDING WITHOUT LIMITATION, ALL ATTACHMENTS AND ACCESSIONS THERETO AND REPLACEMENTS AND PROCEEDS OF ANY THEREOF.	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 23072815216

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Jul-28

Registration Status: Current

Expiry Date: 2027-Jul-28 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114TH AVENUE  
ACHESON, AB T7X 6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 CATERPILLAR FINANCIAL SERVICES LIMITED  
1122 INTERNATIONAL BLVD. SUITE 400  
BURLINGTON, ON L7L 6Z8  
Email: absecparties@avssystems.ca

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	CAT0793DEFDB01052	2009	CATERPILLAR 793D	MV - Motor Vehicle	Current

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	ONE (1) 2009 CATERPILLAR 793D OFF HIGHWAY TRUCK S/N CAT0793DEFDB01052 TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL. PROCEEDS: GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

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Registration Number: 23080229861

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Aug-02

Registration Status: Current

Expiry Date: 2026-Aug-02 23:59:59

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Exact Match on:

Debtor

No: 1

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**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FDUF5HN4MDA07668	2021	FORD SUPER DUTY F-550 DRW	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 23092501269

Registration Date: 2023-Sep-25

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2028-Sep-25 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712-114AVE  
ACHESON, AB T7X 6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 MERIDIAN ONECAP CREDIT CORP.  
204 - 3185 WILLINGDON GREEN  
BURNABY, BC V5G 4P3  
Email: absecparties@avssystems.ca

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	Z62H5233	2023	GENIE Z-62/40	MV - Motor Vehicle	Current

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	BOOM LIFT(S) TOGETHER WITH ALL ATTACHMENTS ACCESSORIES ACCESSIONS REPLACEMENTS SUBSTITUTIONS ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE AND OR DEALINGS WITH THE COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 23100610829

Registration Date: 2023-Oct-06

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2027-Oct-06 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**

Current

1 KMC MINING CORPORATION  
28712 114TH AVENUE  
ACHESON, AB T7X 6E6

**Secured Party / Parties**

**Block**

**Status**

Current

1 CATERPILLAR FINANCIAL SERVICES LIMITED  
1122 INTERNATIONAL BLVD. SUITE 400  
BURLINGTON, ON L7L 6Z8  
Email: absecparties@avssystems.ca

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	CAT0793DVFDB00834	2008	CATERPILLAR 793D	MV - Motor Vehicle	Current

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	ONE (1) 2008 CATERPILLAR 793D OFF HIGHWAY TRUCK S/N CAT0793DVFDB00834 TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL. PROCEEDS: GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

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Registration Number: 23101326228

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Oct-13

Registration Status: Current

Expiry Date: 2027-Oct-13 23:59:59

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Exact Match on: Debtor No: 1

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**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FT7W2BN1PEC83300	2023	FORD SUPER DUTY F-250 SRW	MV - Motor Vehicle	Current



Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

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Registration Number: 23101924787

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Oct-19

Registration Status: Current

Expiry Date: 2027-Oct-19 23:59:59

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Exact Match on:

Debtor

No: 1

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**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

Current

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**Secured Party / Parties**

**Block**

**Status**

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

Current

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**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FTEW1EP8PKD92059	2023	FORD F-150	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

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Registration Number: 23101924866

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Oct-19

Registration Status: Current

Expiry Date: 2027-Oct-19 23:59:59

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Exact Match on:

Debtor

No: 1

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**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

Current

**Collateral: Serial Number Goods**

**Block**

**Serial Number**

**Year**

**Make and Model**

**Category**

**Status**

1 1FTEW1EP3PKD92275

2023

FORD F-150

MV - Motor Vehicle

Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 23101924882

Registration Date: 2023-Oct-19

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2028-Oct-19 23:59:59

Exact Match on:

Debtor

No: 1

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FD0W5HT2PED28488	2023	FORD SUPER DUTY F-550 DRW	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 23112327426

Registration Date: 2023-Nov-23

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2028-Nov-23 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

<u>Block</u>		<u>Status</u>
1	KMC MINING CORPORATION 28712-114AVE ACHESON, AB T7X6E6	Current

**Secured Party / Parties**

<u>Block</u>		<u>Status</u>
1	MERIDIAN ONECAP CREDIT CORP. 204 - 3185 WILLINGDON GREEN BURNABY, BC V5G4P3 Email: ABSecParties@eservicecorp.ca	Current

**Collateral: Serial Number Goods**

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	10463	2015	KOMATSU WA380-7	MV - Motor Vehicle	Current

**Collateral: General**

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	WHEEL LOADER(S) TOGETHER WITH ALL ATTACHMENTS ACCESSORIES ACCESSIONS REPLACEMENTS SUBSTITUTIONS ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE AND OR DEALINGS WITH THE COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL.	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

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Registration Number: 23112903589

Registration Date: 2023-Nov-29

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2026-Nov-29 23:59:59

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Exact Match on: Debtor No: 1

---

**Debtor(s)**

**Block**

**Status**

Current

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

**Secured Party / Parties**

**Block**

**Status**

Current

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FT7W2B60NEC22333	2022	FORD SUPER DUTY F-250 SRW	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

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Registration Number: 23112930148

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Nov-29

Registration Status: Current

Expiry Date: 2027-Nov-29 23:59:59

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Exact Match on:

Debtor

No: 1

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**Debtor(s)**

**Block**

**Status**

Current

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

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**Secured Party / Parties**

**Block**

**Status**

Current

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

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**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FTFW1E84PKE92477	2023	FORD F-150	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 23112930477

Registration Date: 2023-Nov-29

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2027-Nov-29 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**

Current

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

**Secured Party / Parties**

**Block**

**Status**

Current

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FTFW1E8XPKE16438	2023	FORD F-150	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

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Registration Number: 23112931138

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Nov-29

Registration Status: Current

Expiry Date: 2027-Nov-29 23:59:59

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Exact Match on: Debtor No: 1

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**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FTFW1E86PKE16422	2023	FORD F-150	MV - Motor Vehicle	Current



Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 23121510415

Registration Date: 2023-Dec-15

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2026-Dec-15 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**

Current

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

**Secured Party / Parties**

**Block**

**Status**

Current

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FT7W2B63NEC51082	2022	FORD SUPER DUTY F-250 SRW	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 23121510596

Registration Date: 2023-Dec-15

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2026-Dec-15 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**  
Current

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

**Secured Party / Parties**

**Block**

**Status**  
Current

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FT7W2B62NEC51090	2022	FORD SUPER DUTY F-250 SRW	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 23121510881

Registration Date: 2023-Dec-15

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2026-Dec-15 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

<u>Block</u>		<u>Status</u>
1	KMC MINING CORPORATION 28712 114 AVENUE ACHESON, AB T7X6E6	Current

**Secured Party / Parties**

<u>Block</u>		<u>Status</u>
1	JIM PATTISON INDUSTRIES LTD. 4937 REGENT STREET BURNABY, BC V5C4H4 Email: info@jplease.com	Current

**Collateral: Serial Number Goods**

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	1FT7W2B62NEC51087	2022	FORD SUPER DUTY F-250 SRW	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 23121826806

Registration Date: 2023-Dec-18

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2028-Dec-18 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1GKS2DKL5PR488082	2023	GMC YUKON	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30 Time of Search: 09:50:49

Registration Number: 23122028084

Registration Date: 2023-Dec-20

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2029-Dec-20 23:59:59

Exact Match on: Debtor No: 1

**Amendments to Registration**

24082324142

Amendment

2024-Aug-23

**Debtor(s)**

**Block**

**Status**  
Current

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X 5A5

**Secured Party / Parties**

**Block**

**Status**  
Deleted by  
24082324142

1 ATB FINANCIAL - EQUIPMENT FINANCE  
SUITE 600, 585 - 8TH AVENUE SW  
CALGARY, AB T2P 1G1  
Phone #: 403 974 5770 Fax #: 403 974 5784  
Email: pprnotices@atb.com

**Block**

**Status**  
Current by  
24082324142

2 ATB FINANCIAL, AS AGENT  
SUITE 410, 585-8TH AVENUE, SW  
CALGARY, AB T2P 1G1  
Email: pprnotices@atb.com

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	KMTHD038NHPA32005	2017	Komatsu 930E -4	MV - Motor Vehicle	Current
2	KMTHD038NPA32008	2017	Komatsu 930E -4	MV - Motor Vehicle	Current
3	KMTHD038NHPA32009	2017	Komatsu 930E -4	MV - Motor Vehicle	Current

Search ID #: Z18218318

4	KMTHD038NHPA32010	2017	Komatsu 930E -4	MV - Motor Vehicle	Current
5	KMTHD038NHPA32014	2017	Komatsu 930E -4	MV - Motor Vehicle	Current
6	1NPCLP0X6PD881275	2023	Peterbilt 567	MV - Motor Vehicle	Current
7	A40319	2023	Komatsu 930E-5	MV - Motor Vehicle	Current
8	A40320	2023	Komatsu 930E-5	MV - Motor Vehicle	Current
9	A40321	2023	Komatsu 930E-5	MV - Motor Vehicle	Current

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	PROCEEDS: ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALINGS WITH THE ORIGINAL COLLATERAL OR PROCEEDS THEREOF	Current
2	ONE (1) 2017 Komatsu 930E -4 Mining Truck S/N KMTHD038NHPA32005	Current
3	ONE (1) 2017 Komatsu 930E -4 Mining Truck S/N KMTHD038NPA32008	Current
4	ONE (1) 2017 Komatsu 930E -4 Mining Truck S/N KMTHD038NHPA32009	Current
5	ONE (1) 2017 Komatsu 930E -4 Mining Truck S/N KMTHD038NHPA32010	Current
6	ONE (1) 2017 Komatsu 930E -4 Mining Truck S/N KMTHD038NHPA32014	Current
7	ONE (1) 2023 Peterbilt 567 Day Cab Tandem Drive Fuel Lube Truck S/N 1NPCLP0X6PD881275	Current
8	ONE (1) 2023 Komatsu 930E-5 Mining Truck S/N A40319	Current
9	ONE (1) 2023 Komatsu 930E-5 Mining Truck S/N A40320	Current
10	ONE (1) 2023 Komatsu 930E-5 Mining Truck S/N A40321	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 24010822866

Registration Date: 2024-Jan-08

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2029-Jan-08 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVE  
ACHESON, AB T7X 6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 THE DRIVING FORCE INC.  
17631 103 AVENUE NW  
EDMONTON, AB T5S 1N8  
Phone #: 780 483 9559 Fax #: 587 689 2462  
Email: gtayag@drivingforcegroup.com

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FT8W3BT1MEC93829	2021	FORD SUPER DUTY F-350	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

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Registration Number: 24011703976

Registration Type: SECURITY AGREEMENT

Registration Date: 2024-Jan-17

Registration Status: Current

Expiry Date: 2029-Jan-17 23:59:59

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Exact Match on: Debtor No: 1

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**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVE  
ACHESON, AB T7X 6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 THE DRIVING FORCE INC.  
17631 103 AVENUE NW  
EDMONTON, AB T5S 1N8  
Phone #: 780 483 9559 Fax #: 587 689 2462  
Email: gtayag@drivingforcegroup.com

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FTFW1E87MFA17474	2021	FORD F-150	MV - Motor Vehicle	Current



Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 24011929097

Registration Type: SECURITY AGREEMENT

Registration Date: 2024-Jan-19

Registration Status: Current

Expiry Date: 2026-Jan-19 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 - 114 AVENUE  
ACHESON, AB T7X 6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 SMS EQUIPMENT INC.  
11285-274 STREET  
ACHESON, AB T7X 6P9  
Phone #: 780 948 2820 Fax #: 780 960 4637  
Email: albertrand@smsequip.com

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	50065	2023	KOMATSU D475A-8	MV - Motor Vehicle	Current

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	ALL EQUIPMENT NOW AND HEREAFTER LEASED, SOLD OR FINANCED BY THE SECURED PARTY TO THE DEBTOR, INCLUDING WITHOUT LIMITATION, ALL ATTACHMENTS AND ACCESSIONS THERETO AND REPLACEMENTS AND PROCEEDS OF ANY THEREOF.	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

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Registration Number: 24012228542

Registration Type: SECURITY AGREEMENT

Registration Date: 2024-Jan-22

Registration Status: Current

Expiry Date: 2029-Jan-22 23:59:59

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Exact Match on:

Debtor

No: 1

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**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

Current

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**Secured Party / Parties**

**Block**

**Status**

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

Current

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**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FTFW1E86PFC60925	2023	FORD F-150	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 24012427620

Registration Type: SECURITY AGREEMENT

Registration Date: 2024-Jan-24

Registration Status: Current

Expiry Date: 2026-Jan-24 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 - 114 AVENUE  
ACHESON, AB T7X 6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 SMS EQUIPMENT INC.  
11285-274 STREET  
ACHESON, AB T7X 6P9  
Phone #: 780 948 2820 Fax #: 780 960 4637  
Email: albertrand@smsequip.com

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	50067	2023	KOMATSU D475A-8	MV - Motor Vehicle	Current

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	ALL EQUIPMENT NOW AND HEREAFTER LEASED, SOLD OR FINANCED BY THE SECURED PARTY TO THE DEBTOR, INCLUDING WITHOUT LIMITATION, ALL ATTACHMENTS AND ACCESSIONS THERETO AND REPLACEMENTS AND PROCEEDS OF ANY THEREOF.	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 24013025073

Registration Type: SECURITY AGREEMENT

Registration Date: 2024-Jan-30

Registration Status: Current

Expiry Date: 2028-Jan-30 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 - 114 AVENUE  
ACHESON, AB T7X6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 DYNAMIC CAPITAL EQUIPMENT FINANCE INC.  
208, 1824 GORDON DRIVE  
KELOWNA, BC V1Y 0E2  
Phone #: 778 940 0417 Fax #: 877 521 9273  
Email: customerservice@dynamic-capital.ca

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	CAT0950HPK5K02110	2008	CATERPILLAR 950H	MV - Motor Vehicle	Current

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	2008 CATERPILLAR 950H S/N CAT0950HPK5K02110 WHEEL LOADER C/W HYDRAULIC COUPLER, GP BUCKET, FORKS;	Current

TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH THE COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL.

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 24020522496

Registration Type: SECURITY AGREEMENT

Registration Date: 2024-Feb-05

Registration Status: Current

Expiry Date: 2025-Feb-05 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X 6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 WAJAX LIMITED  
11061 269 ST ATTN: CREDIT DEPT  
ACHESON, AB T7X 6E1  
Phone #: 780 948 5444 Fax #: 780 948 5434  
Email: wjxfincrditppsa@wajax.com

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	5482000008	1925	MMTUA 16V4000C45	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 24021219409

Registration Date: 2024-Feb-12

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2025-Feb-12 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X 6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 WAJAX LIMITED  
11061 269 ST ATTN: CREDIT DEPT  
ACHESON, AB T7X 6E1  
Phone #: 780 948 5444 Fax #: 780 948 5434  
Email: wjxfincrditppsa@wajax.com

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	5482000008	1925	MMTUA 16V4000C45	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

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Registration Number: 24021427443

Registration Type: SECURITY AGREEMENT

Registration Date: 2024-Feb-14

Registration Status: Current

Expiry Date: 2029-Feb-14 23:59:59

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Exact Match on: Debtor No: 1

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**Debtor(s)**

**Block**

**Status**

Current

1 KMC MINING CORPORATION  
28712 114 AVE  
ACHESON, AB T7X 6E6

**Secured Party / Parties**

**Block**

**Status**

Current

1 BRANDT FINANCE LTD.  
BOX 3856 HWY 1 E  
REGINA, SK S4P 3R8  
Phone #: 306 347 1418  
Email: jrachar@brandt.ca

**Block**

**Status**

Current

2 BRANDT TRACTOR LTD.  
BOX 3856 HWY 1 E  
REGINA, SK S4P3R8  
Phone #: 306 347 1418  
Email: jrachar@brandt.ca

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FD0X5HT4PEC37185	2023	FORD F-550	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	MECHANICS TRUCK(S) TOGETHER WITH ALL ATTACHMENTS ACCESSORIES ACCESSIONS REPLACEMENTS SUBSTITUTIONS ADDITIONS AND IMPROVEMENTS THERE TO AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE AND OR DEALINGS WITH THE COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL.	Current



Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 24022029950

Registration Type: GARAGE KEEPERS' LIEN

Registration Date: 2024-Feb-20

Registration Status: Current

Expiry Date: 2025-Feb-20 23:59:59

The Garage Keeper has possession of the vehicle

The repairs of the vehicle off the Garage Keepers' premises were finished on 2024-Feb-08

Lien Amount is \$2,294,542.09

Exact Match on: Debtor No: 1

**Amendments to Registration**

24082033299

Renewal

2024-Aug-20

**Vehicle Owner(s)**

**Block**

**Status**

1 K M C MINING CORPORATION  
11564 149 ST NW  
EDMONTON, AB T5M 1W7

Current

**Person(s) Claiming Lien**

**Block**

**Status**

1 FINNING INTERNATIONAL INC.  
16901-109 AVENUE  
EDMONTON, AB T5P 4P6  
Phone #: 780 443 7140 Fax #: 780 443 7241  
Email: liensearchrequests@finning.com

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	CAT0793DLFDB00190	2006	CARERPILLAR 793d	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

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Registration Number: 24031417959

Registration Type: SECURITY AGREEMENT

Registration Date: 2024-Mar-14

Registration Status: Current

Expiry Date: 2028-Mar-14 23:59:59

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Exact Match on: Debtor No: 1

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**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FDUF5HN4PED83799	2023	FORD SUPER DUTY F-550 DRW	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 24031420633

Registration Date: 2024-Mar-14

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2026-Mar-14 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**

Current

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

**Secured Party / Parties**

**Block**

**Status**

Current

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FD0W5HT1NED58482	2022	FORD SUPER DUTY F-550 DRW	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

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Registration Number: 24031420665

Registration Type: SECURITY AGREEMENT

Registration Date: 2024-Mar-14

Registration Status: Current

Expiry Date: 2026-Mar-14 23:59:59

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Exact Match on: Debtor No: 1

---

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

Current

**Collateral: General**

**Block**

**Description**

**Status**

1 DESCRIPTION - PTO & PUMP & COMPRESSOR  
YEAR/MAKE/MODEL/MANUFACTURER - 2021 40 VMAC AIR COMPRESSOR  
SERIAL - H400001EJJ021

Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 24031420722

Registration Date: 2024-Mar-14

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2026-Mar-14 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**

Current

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

**Secured Party / Parties**

**Block**

**Status**

Current

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FTFW1E86MKE84165	2021	FORD F-150	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 24032025307

Registration Type: SECURITY AGREEMENT

Registration Date: 2024-Mar-20

Registration Status: Current

Expiry Date: 2028-Mar-20 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**  
Current

1 KMC MINING CORPORATION  
28712 - 114 AVENUE  
ACHESON, AB T7X6E6

**Secured Party / Parties**

**Block**

**Status**  
Current

1 DYNAMIC CAPITAL EQUIPMENT FINANCE INC.  
208, 1824 GORDON DRIVE  
KELOWNA, BC V1Y 0E2  
Phone #: 778 940 0417 Fax #: 877 521 9273  
Email: customerservice@dynamic-capital.ca

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	SED32923	2006	TAYLOR T520M	MV - Motor Vehicle	Current

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	2006 TAYLOR T520M S/N SED32923 TIRE MANIPULATOR;	Current

TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH THE COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL.

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 24032025579

Registration Date: 2024-Mar-20

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2030-Mar-20 23:59:59

Exact Match on: Debtor No: 1

**Amendments to Registration**

24042429656	Amendment And Renewal	2024-Apr-24
24052313751	Amendment	2024-May-23

**Debtor(s)**

**Block**

**Status**  
Current

1 KMC MINING CORPORATION  
28712 - 114 AVENUE  
ACHESON, AB T7X6E6

**Secured Party / Parties**

**Block**

**Status**  
Current

1 DYNAMIC CAPITAL EQUIPMENT FINANCE INC.  
208, 1824 GORDON DRIVE  
KELOWNA, BC V1Y 0E2  
Phone #: 778 940 0417 Fax #: 877 521 9273  
Email: customerservice@dynamic-capital.ca

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	CAT0950HPK5K02110	2008	CATERPILLAR 950H	MV - Motor Vehicle	Current
2	SED32923	2006	TAYLOR T520M	MV - Motor Vehicle	Current
3	797967	2020	MANITOU M50	MV - Motor Vehicle	Current By 24042429656
4	MAN00000C01058729	2021	MANITOU M50	MV - Motor Vehicle	Current By 24052313751

Search ID #: Z18218318

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	<p>2008 CATERPILLAR 950H S/N CAT0950HPK5K02110 WHEEL LOADER C/W HYDRAULIC COUPLER, GP BUCKET, FORKS 2006 TAYLOR T520M S/N SED32923 TIRE MANIPULATOR</p> <p>TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH THE COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL.</p>	<p>Deleted By 24042429656</p>
2	<p>2008 CATERPILLAR 950H S/N CAT0950HPK5K02110 WHEEL LOADER C/W HYDRAULIC COUPLER, GP BUCKET, FORKS 2006 TAYLOR T520M S/N SED32923 TIRE MANIPULATOR 2020 MANITOU M50 S/N 797967 FORK LIFT;</p> <p>TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH THE COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL.</p>	<p>Deleted By 24052313751</p>
3	<p>2008 CATERPILLAR 950H S/N CAT0950HPK5K02110 WHEEL LOADER C/W HYDRAULIC COUPLER, GP BUCKET, FORKS 2006 TAYLOR T520M S/N SED32923 TIRE MANIPULATOR 2020 MANITOU M50 S/N 797967 FORK LIFT; 2021 MANITOU M50 S/N MAN00000C01058729 FORKLIFT;</p> <p>TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH THE COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL.</p>	<p>Current By 24052313751</p>



Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 24041030542

Registration Type: GARAGE KEEPERS' LIEN

Registration Date: 2024-Apr-10

Registration Status: Current

Expiry Date: 2025-Apr-09 23:59:59

The repairs of the vehicle off the Garage Keepers' premises were finished on 2024-Mar-25

Lien Amount is \$104,735.19

Exact Match on: Debtor No: 1

**Amendments to Registration**

24101021709

Renewal

2024-Oct-10

**Vehicle Owner(s)**

**Block**

**Status**  
Current

1 K M C MINING CORPORATION  
11564 149 STREET NW  
EDMONTON, AB T5M 1W7

**Person(s) Claiming Lien**

**Block**

**Status**  
Current

1 FINNING INTERNATIONAL INC.  
16901-109 AVENUE  
EDMONTON, AB T5P 4P6  
Phone #: 780 443 7140 Fax #: 780 443 7241  
Email: liensearchrequests@finning.com

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	CAT0793DJFDB00846	2008	CATERPILLAR 793D	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 24041519187

Registration Date: 2024-Apr-15

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2025-Apr-15 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X 6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 WAJAX LIMITED  
11061 269 ST ATTN: CREDIT DEPT  
ACHESON, AB T7X 6E1  
Phone #: 780 948 5444 Fax #: 780 948 5434  
Email: wjxfincrditppsa@wajax.com

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	5482000317	1925	MMTUO 16V4000C45	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 24042429638

Registration Date: 2024-Apr-24

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2029-Apr-24 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**  
Current

1 KMC MINING CORPORATION  
28712 - 114 AVENUE  
ACHESON, AB T7X6E6

**Secured Party / Parties**

**Block**

**Status**  
Current

1 DYNAMIC CAPITAL EQUIPMENT FINANCE INC.  
208, 1824 GORDON DRIVE  
KELOWNA, BC V1Y 0E2  
Phone #: 778 940 0417 Fax #: 877 521 9273  
Email: customerservice@dynamic-capital.ca

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	797967	2020	MANITOU M50	MV - Motor Vehicle	Current

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	2020 MANITOU M50 S/N 797967 FORK LIFT; TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH THE COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL.	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 24052313428

Registration Date: 2024-May-23

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2029-May-23 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**  
Current

1 KMC MINING CORPORATION  
28712 - 114 AVENUE  
ACHESON, AB T7X6E6

**Secured Party / Parties**

**Block**

**Status**  
Current

1 DYNAMIC CAPITAL EQUIPMENT FINANCE INC.  
208, 1824 GORDON DRIVE  
KELOWNA, BC V1Y 0E2  
Phone #: 778 940 0417 Fax #: 877 521 9273  
Email: customerservice@dynamic-capital.ca

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	MAN00000C01058729	2021	MANITOU M50	MV - Motor Vehicle	Current

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	2021 MANITOU M50 S/N MAN00000C01058729 FORKLIFT;	Current

TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH THE COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL.

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 24060724265

Registration Date: 2024-Jun-07

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2028-Jun-07 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114TH AVENUE  
ACHESON, AB T7X 6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 LEAVITT MACHINERY CANADA INC.  
24389 FRASER HWY  
LANGLEY, BC V2Z 2L3  
Email: albertaprod@teranet.ca

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	WUP937815	2023	ATLASCOPCO HILIGHT V4W	MV - Motor Vehicle	Current
2	WUP933567	2023	ATLASCOPCO HILIGHT V4W	MV - Motor Vehicle	Current
3	WUP933568	2023	ATLASCOPCO HILIGHT V4W	MV - Motor Vehicle	Current
4	WUP937827	2023	ATLASCOPCO HILIGHT V4W	MV - Motor Vehicle	Current
5	WUP937825	2023	ATLASCOPCO HILIGHT V4W	MV - Motor Vehicle	Current
6	WUP937814	2023	ATLASCOPCO HILIGHT V4W	MV - Motor Vehicle	Current

Search ID #: Z18218318

7	WUP937823	2023	ATLASCOPCO HILIGHT V4W	MV - Motor Vehicle	Current
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**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	From the collateral, all proceeds including accounts, money, chattel, paper, intangibles, goods, documents of title, licenses, instruments, securities, substitutions, trade-ins, insurance proceeds, and other form of proceeds.	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 24062720865

Registration Date: 2024-Jun-27

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2028-Jun-27 23:59:59

Exact Match on:

Debtor

No: 1

**Debtor(s)**

**Block**

**Status**

Current

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

**Secured Party / Parties**

**Block**

**Status**

Current

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1GTP6FEK1R1193695	2024	GMC CANYON	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 24070508394

Registration Date: 2024-Jul-05

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2028-Jul-05 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114TH AVENUE  
ACHESON, AB T7X 6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 CATERPILLAR FINANCIAL SERVICES LIMITED  
1122 INTERNATIONAL BLVD. SUITE 400  
BURLINGTON, ON L7L 6Z8  
Email: absecparties@eservicecorp.ca

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	CAT0024MHB9K00327	2009	CATERPILLAR 24M	MV - Motor Vehicle	Current
2	CAT0016HLATS00855	2007	CATERPILLAR 16H	MV - Motor Vehicle	Current



Search ID #: Z18218318

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	ONE (1) 2009 CATERPILLAR 24M MOTOR GRADER S/N CAT0024MHB9K00327	Current

ONE (1) 2007 CATERPILLAR 16H MOTOR GRADER S/N CAT0016HLATS00855

TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL.

PROCEEDS: GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 24071814225

Registration Type: SECURITY AGREEMENT

Registration Date: 2024-Jul-18

Registration Status: Current

Expiry Date: 2030-Jul-18 23:59:59

Exact Match on: Debtor No: 1

**Amendments to Registration**

24073006221

Amendment

2024-Jul-30

**Debtor(s)**

**Block**

**Status**

Current

1 KMC MINING CORPORATION  
28712 114 AVE  
ACHESON, AB T7X 6E6

**Secured Party / Parties**

**Block**

**Status**

Current

1 JOHN DEERE FINANCIAL INC.  
295 HUNTER ROAD, P.O. BOX 1000  
GRIMSBY, ON L3M 4H5  
Email: absecparties@eservicecorp.ca

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FF870PAHPF000039	2023	JOHN DEERE 870G	MV - Motor Vehicle	Deleted By 24073006221
2	1FF870PAHPF000039	2023	JOHN DEERE 870 P	MV - Motor Vehicle	Current By 24073006221

Search ID #: Z18218318

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	ONE JOHN DEERE 870GLC EXCAVATOR TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS OF EVERY TYPE, ITEM OR KIND IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH COLLATERAL INCLUDING WITHOUT LIMITATION TRADE-INS, EQUIPMENT, INVENTORY, GOODS, NOTES, CHATTEL PAPER, CONTRACT RIGHTS, ACCOUNTS, RENTAL PAYMENTS, SECURITIES, INTANGIBLES, DOCUMENTS OF TITLE AND MONEY AND ALL PROCEEDS OF PROCEEDS AND A RIGHT TO ANY INSURANCE PAYMENT AND ANY OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR THE PROCEEDS OF THE COLLATERAL.	Deleted By 24073006221
2	ONE JOHN DEERE 870 P EXCAVATOR TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS OF EVERY TYPE, ITEM OR KIND IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH COLLATERAL INCLUDING WITHOUT LIMITATION TRADE-INS, EQUIPMENT, INVENTORY, GOODS, NOTES, CHATTEL PAPER, CONTRACT RIGHTS, ACCOUNTS, RENTAL PAYMENTS, SECURITIES, INTANGIBLES, DOCUMENTS OF TITLE AND MONEY AND ALL PROCEEDS OF PROCEEDS AND A RIGHT TO ANY INSURANCE PAYMENT AND ANY OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR THE PROCEEDS OF THE COLLATERAL.	Current By 24073006221

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 24072911452

Registration Type: SECURITY AGREEMENT

Registration Date: 2024-Jul-29

Registration Status: Current

Expiry Date: 2034-Jul-29 23:59:59

Exact Match on: Debtor No: 1

**Amendments to Registration**

24082326423	Amendment	2024-Aug-23
24111524918	Amendment	2024-Nov-15

**Debtor(s)**

<u>Block</u>		<u>Status</u>
1	KMC MINING CORPORATION 28712 114TH AVENUE ACHESON, AB T7X 6E6	Current

<u>Block</u>		<u>Status</u>
2	KMC MINING (BC) LTD. 28712 114TH AVENUE ACHESON, AB T7X 6E6	Current

**Secured Party / Parties**

<u>Block</u>		<u>Status</u>
1	ATB FINANCIAL, AS AGENT SUITE 410, 585-8TH AVENUE, SW CALGARY, AB T2P 1G1 Email: pprnotices@atb.com	Current

**Collateral: Serial Number Goods**

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	GEB00361	2009	Caterpillar D11T	MV - Motor Vehicle	Current By 24082326423
2	RJS00659	2006	Caterpillar D9T	MV - Motor Vehicle	Current By 24082326423

Search ID #: Z18218318

3	GEB00666	2011	Caterpillar D11T	MV - Motor Vehicle	Current By 24082326423
4	CAT0024MAB9K00261	2007	Caterpillar 24M	MV - Motor Vehicle	Current By 24082326423
5	A30336	2005	Komatsu 930E-3	MV - Motor Vehicle	Current By 24082326423
6	A30338	2005	Komatsu 930E-3	MV - Motor Vehicle	Current By 24082326423
7	A30339	2005	Komatsu 930E-3	MV - Motor Vehicle	Current By 24082326423
8	JRP00709	2007	Caterpillar 777F	MV - Motor Vehicle	Current By 24082326423
9	AGC01608	2006	Caterpillar 777D	MV - Motor Vehicle	Current By 24082326423
10	AGC02296	2007	Caterpillar 777D	MV - Motor Vehicle	Current By 24082326423
11	A30142	2007	Komatsu HD1500-5	MV - Motor Vehicle	Current By 24082326423
12	A30143	2007	Komatsu HD1500-5	MV - Motor Vehicle	Current By 24082326423
13	A30146	2007	Komatsu HD1500-5	MV - Motor Vehicle	Current By 24082326423
14	A30157	2007	Komatsu HD1500-5	MV - Motor Vehicle	Current By 24082326423
15	JRP02350	2010	Caterpillar 777F	MV - Motor Vehicle	Current By 24082326423
16	JRP02378	2010	Caterpillar 777F	MV - Motor Vehicle	Current By 24082326423
17	E28503	1998	Caterpillar 980F	MV - Motor Vehicle	Current By 24082326423
18	E28504	1998	Caterpillar 980F	MV - Motor Vehicle	Current By 24082326423
19	HCM18J00L00001356	2012	Hitachi EX1200-6	MV - Motor Vehicle	Current By 24082326423
20	A74942	2019	Komatsu WA380-8	MV - Motor Vehicle	Current By 24082326423
21	1NPALU0X54D824616	2004	Peterbilt 357	MV - Motor Vehicle	Current By 24082326423
22	2NPNHD7H95M842887	2004	Peterbilt 330	MV - Motor Vehicle	Current By 24082326423

Search ID #: Z18218318

23	1NPTLUEX49D770198	2008	Peterbilt 367	MV - Motor Vehicle	Current By 24082326423
24	1NKDXUEX08J937266	2008	Kenworth T800	MV - Motor Vehicle	Current By 24082326423
25	1NPTL0EX49D785339	2008	Peterbilt 367	MV - Motor Vehicle	Current By 24082326423
26	KMTHD038NHPA32010	2017	Komatsu 930E-4 truck	MV - Motor Vehicle	Current By 24111524918
27	KMTHD038NHPA32014	2017	Komatsu 930-4 truck	MV - Motor Vehicle	Current By 24111524918
28	FDB00191	2006	Caterpillar 793D	MV - Motor Vehicle	Current By 24111524918
29	FDB00192	2006	Caterpillar 793D	MV - Motor Vehicle	Current By 24111524918
30	FDB00400	2006	Caterpillar 793D	MV - Motor Vehicle	Current By 24111524918
31	FDB00188	2006	Caterpillar 793D	MV - Motor Vehicle	Current By 24111524918
32	FDB00401	2006	Caterpillar 793D	MV - Motor Vehicle	Current By 24111524918

**Collateral: General**

<b><u>Block</u></b>	<b><u>Description</u></b>	<b><u>Status</u></b>
1	All present and after-acquired personal property of each Debtor.	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

---

Registration Number: 24072911528

Registration Date: 2024-Jul-29

Registration Type: LAND CHARGE

Registration Status: Current

Registration Term: Infinity

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Exact Match on:

Debtor

No: 1

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**Debtor(s)**

**Block**

1 KMC MINING CORPORATION  
28712 114TH AVENUE  
ACHESON, AB T7X 6E6

**Status**

Current

**Block**

2 KMC MINING (BC) LTD.  
28712 114TH AVENUE  
ACHESON, AB T7X 6E6

**Status**

Current

**Secured Party / Parties**

**Block**

1 ATB FINANCIAL, AS AGENT  
SUITE 410, 585-8TH AVENUE, SW  
CALGARY, AB T2P 1G1  
Email: pprnotices@atb.com

**Status**

Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

---

Registration Number: 24073117404

Registration Type: SECURITY AGREEMENT

Registration Date: 2024-Jul-31

Registration Status: Current

Expiry Date: 2028-Jul-31 23:59:59

---

Exact Match on:

Debtor

No: 1

---

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

Current

**Collateral: Serial Number Goods**

**Block**

**Serial Number**

**Year**

**Make and Model**

**Category**

**Status**

1 1FTFW5L89RFA70453

2024 FORD F-150

MV - Motor Vehicle

Current



Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

---

Registration Number: 24081417887

Registration Type: SECURITY AGREEMENT

Registration Date: 2024-Aug-14

Registration Status: Current

Expiry Date: 2028-Aug-14 23:59:59

---

Exact Match on: Debtor No: 1

---

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FTFW3L88RFA36752	2024	FORD F-150	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

---

Registration Number: 24081418016

Registration Type: SECURITY AGREEMENT

Registration Date: 2024-Aug-14

Registration Status: Current

Expiry Date: 2028-Aug-14 23:59:59

---

Exact Match on:

Debtor

No: 1

---

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

Current

---

**Secured Party / Parties**

**Block**

**Status**

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

Current

---

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1FTFW3L85RKD06155	2024	FORD F-150	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

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Registration Number: 24082032444

Registration Type: SECURITY AGREEMENT

Registration Date: 2024-Aug-20

Registration Status: Current

Expiry Date: 2028-Aug-20 23:59:59

---

Exact Match on:

Debtor

No: 1

---

**Debtor(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X6E6

Current

**Secured Party / Parties**

**Block**

**Status**

1 JIM PATTISON INDUSTRIES LTD.  
4937 REGENT STREET  
BURNABY, BC V5C4H4  
Email: info@jplease.com

Current

**Collateral: Serial Number Goods**

**Block**

**Serial Number**

**Year**

**Make and Model**

**Category**

**Status**

1 1FTFW3L89RFA23282

2024 FORD F-150

MV - Motor Vehicle

Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 24090626550

Registration Date: 2024-Sep-06

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2028-Sep-06 23:59:59

Exact Match on: Debtor No: 1

**Debtor(s)**

<u>Block</u>		<u>Status</u>
1	KMC MINING CORPORATION 28712 114 AVENUE ACHESON, AB T7X6E6	Current

**Secured Party / Parties**

<u>Block</u>		<u>Status</u>
1	JIM PATTISON INDUSTRIES LTD. 4937 REGENT STREET BURNABY, BC V5C4H4 Email: info@jplease.com	Current

**Collateral: Serial Number Goods**

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	1FD0W5HN8REE56433	2024	FORD SUPER DUTY F-550 DRW	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 24091814094

Registration Date: 2024-Sep-18

Registration Type: GARAGE KEEPERS' LIEN

Registration Status: Current

Expiry Date: 2025-Mar-18 23:59:59

Accessories were provided on 2024-Sep-17

Lien Amount is \$9,760.18

Exact Match on: Debtor No: 1

**Vehicle Owner(s)**

**Block**

**Status**  
Current

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X 6E6

**Person(s) Claiming Lien**

**Block**

**Status**  
Current

1 EDMONTON KENWORTH LTD  
17335 118 AVENUE  
EDMONTON, AB T5S 2P5  
Phone #: 780 453 3431 Fax #: 780 447 6055  
Email: westreception@edmkw.com

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1XKDDB0X87R177291	2007	KENWORTH T800	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

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Registration Number: 24092017201

Registration Type: GARAGE KEEPERS' LIEN

Registration Date: 2024-Sep-20

Registration Status: Current

Expiry Date: 2025-Mar-20 23:59:59

---

Accessories were provided on 2024-Sep-19

Lien Amount is \$7,293.76

---

Exact Match on: Debtor No: 1

---

**Vehicle Owner(s)**

**Block**

**Status**

Current

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X 6E6

**Person(s) Claiming Lien**

**Block**

**Status**

Current

1 EDMONTON KENWORTH LTD  
17335 118 AVENUE  
EDMONTON, AB T5S 2P5  
Phone #: 780 453 3431 Fax #: 780 447 6055  
Email: westreception@edmkw.com

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1XKDDB0X87R177291	2007	KENWORTH T800	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 24093009713

Registration Type: GARAGE KEEPERS' LIEN

Registration Date: 2024-Sep-30

Registration Status: Current

Expiry Date: 2025-Mar-30 23:59:59

Accessories were provided on 2024-Sep-27

Lien Amount is \$3,517.77

Exact Match on: Debtor No: 1

**Vehicle Owner(s)**

**Block**

**Status**

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X 6E6

Current

**Person(s) Claiming Lien**

**Block**

**Status**

1 EDMONTON KENWORTH LTD  
17335 118 AVENUE  
EDMONTON, AB T5S 2P5  
Phone #: 780 453 3431 Fax #: 780 447 6055  
Email: westreception@edmkw.com

Current

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1NKCL4TX4BR944949	2010	KENWORTH C500	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

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Registration Number: 24100311290

Registration Type: GARAGE KEEPERS' LIEN

Registration Date: 2024-Oct-03

Registration Status: Current

Expiry Date: 2025-Apr-03 23:59:59

---

Accessories were provided on 2024-Oct-02

Lien Amount is \$3,375.95

---

Exact Match on: Debtor No: 1

---

**Vehicle Owner(s)**

**Block**

**Status**

Current

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X 6E6

**Person(s) Claiming Lien**

**Block**

**Status**

Current

1 EDMONTON KENWORTH LTD  
17335 118 AVENUE  
EDMONTON, AB T5S 2P5  
Phone #: 780 453 3431 Fax #: 780 447 6055  
Email: westreception@edmkw.com

**Collateral: Serial Number Goods**

**Block**

**Serial Number**

**Year**

**Make and Model**

**Category**

**Status**

1 1NKCL4TX4BR944949 2010 KENWORTH C500 MV - Motor Vehicle Current



Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 24100910418

Registration Type: GARAGE KEEPERS' LIEN

Registration Date: 2024-Oct-09

Registration Status: Current

Expiry Date: 2025-Apr-09 23:59:59

Accessories were provided on 2024-Oct-08

Lien Amount is \$3,621.70

Exact Match on: Debtor No: 1

**Vehicle Owner(s)**

**Block**

**Status**

Current

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X 6E6

**Person(s) Claiming Lien**

**Block**

**Status**

Current

1 EDMONTON KENWORTH LTD  
17335 118 AVENUE  
EDMONTON, AB T5S 2P5  
Phone #: 780 453 3431 Fax #: 780 447 6055  
Email: westreception@edmkw.com

**Collateral: Serial Number Goods**

<b><u>Block</u></b>	<b><u>Serial Number</u></b>	<b><u>Year</u></b>	<b><u>Make and Model</u></b>	<b><u>Category</u></b>	<b><u>Status</u></b>
1	1XKDD40X7EJ965888	2014	KENWORTH T800	MV - Motor Vehicle	Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 24101812953

Registration Type: GARAGE KEEPERS' LIEN

Registration Date: 2024-Oct-18

Registration Status: Current

Expiry Date: 2025-Apr-18 23:59:59

Accessories were provided on 2024-Oct-16

Lien Amount is \$13,807.41

Exact Match on: Debtor No: 1

**Vehicle Owner(s)**

**Block**

**Status**

Current

1 KMC MINING CORPORATION  
28712 114 AVENUE  
ACHESON, AB T7X 6E6

**Person(s) Claiming Lien**

**Block**

**Status**

Current

1 EDMONTON KENWORTH LTD  
17335 118 AVENUE  
EDMONTON, AB T5S 2P5  
Phone #: 780 453 3431 Fax #: 780 447 6055  
Email: westreception@edmkw.com

**Collateral: Serial Number Goods**

**Block**

**Serial Number**

**Year**

**Make and Model**

**Category**

**Status**

1 1NKCL4TX4BR944949 2010 KENWORTH C500 MV - Motor Vehicle Current

Search ID #: Z18218318

**Business Debtor Search For:**

KMC MINING CORPORATION

Search ID #: Z18218318

Date of Search: 2024-Dec-30

Time of Search: 09:50:49

Registration Number: 24102815736

Registration Type: GARAGE KEEPERS' LIEN

Registration Date: 2024-Oct-28

Registration Status: Current

Expiry Date: 2025-Apr-28 23:59:59

Accessories were provided on 2024-Oct-24

Lien Amount is \$4,291.46

Exact Match on: Debtor No: 1

**Vehicle Owner(s)**

<u>Block</u>		<u>Status</u>
1	KMC MINING CORPORATION 28712 114 AVENUE ACHESON, AB T7X 6E6	Current

**Person(s) Claiming Lien**

<u>Block</u>		<u>Status</u>
1	EDMONTON KENWORTH LTD 17335 118 AVENUE EDMONTON, AB T5S 2P5 Phone #: 780 453 3431 Fax #: 780 447 6055 Email: westreception@edmkw.com	Current

**Collateral: Serial Number Goods**

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	1NKCL4TX4BR944949	2010	KENWORTH C500	MV - Motor Vehicle	Current

Result Complete

This is **Exhibit "K"** referred to in the Affidavit of BRYN JONES sworn before me on the **31<sup>st</sup>** day of December, 2024.



---

A Commissioner for Oaths in and for the Province of Alberta

**Roscoe Gee**  
**Student-At-Law**



Suncor Energy Services Inc.  
Finance & Business Services  
P.O. Box 2844  
150 – 6<sup>th</sup> Avenue S.W.  
Calgary, Alberta T2P 3E3  
Tel (403) 296-5496  
Email [scetiner@suncor.com](mailto:scetiner@suncor.com)  
[www.suncor.com](http://www.suncor.com)

September 27, 2024

**VIA EMAIL**

KMC Mining Corporation  
28712 114 Avenue  
Acheson, AB T7X 6E6  
[dan.klemke@kmcmining.com](mailto:dan.klemke@kmcmining.com), [contracts@kmcmining.com](mailto:contracts@kmcmining.com)

**Attention: Dan Klemke, cc: Contracts Manager**

Dear Dan,

**Re: Termination for Convenience  
Multiple Use Agreement #CW2261293 / Sub-Agreement #CW2274443  
KMC Mining Corporation**

Unless otherwise defined, all capitalized terms used have the meaning given to them in the General Conditions of the Regional Civil Earthworks contract.

Pursuant to Article 38 Termination for Convenience of the General Conditions, Suncor Energy Services Inc. ("Suncor") hereby provides notice to the Contractor of termination of the following Statement of Work/Purchase Orders, effective October 31, 2024 (the "Effective Date"). Except as specifically set out in this notice, the Contractor is directed to immediately cease all activities associated with the performance of all Work obligations pursuant to the following Statements of Work/Purchase Order:

Statement of Work	Statement of Work ID	SOW Start Date	SOW End Date	PO #
2024 – KMC Heavy Civil – Overburden	SUENTQ00108608	02-09-2024	12-31-2024	3700081388

To facilitate an orderly termination, the Contractor is further directed to:

1. effective on the Effective Date stop all terminated portions of the Work and effective immediately, place no further orders or subcontracts for such Work, except as directed by Suncor;
2. on the request of Suncor, assign to Suncor, in the manner and to the extent directed, all of the rights of the Contractor under the purchase orders and subcontracts relating to the terminated portion of the Work;
3. terminate purchase orders and subcontracts outstanding, to the extent that they relate to the terminated portion of the Work and are not assigned to Suncor;
4. take any necessary action to protect property in the Contractor's possession in which Suncor has or may acquire an interest;
5. where specifically directed by Suncor, complete performance of the continuing portion(s) of the Work, if any, in accordance with the terms of the Contract;

6. provide suggestions to Suncor as to the best methods of mitigating any Claims, costs or delays arising from the directions under this notice; and
7. take any other action in relation to the termination of the Work which Suncor may reasonably direct.

(collectively, the "Further Directions")

If the Contractor is unable to comply with the Further Directions on or before the Effective Date, the Contractor shall provide immediate written notice to Suncor, together with an explanation and alternative date for Suncor's consideration.

Claims for compensation must be substantiated by documentation and shall be dealt with in accordance with the General Conditions.

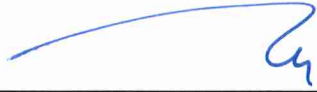
**SUNCOR ENERGY SERVICES INC.**



Simon Cetiner  
Manager SCM-Civil Earthworks

cc: Philippe Girard, Director SCM- Mine Tailings

This is **Exhibit "L"** referred to in the Affidavit of BRYN JONES sworn before me on the **31<sup>st</sup>** day of December, 2024.

A handwritten signature in blue ink, consisting of a long, sweeping horizontal stroke followed by a smaller, more intricate flourish.

---

A Commissioner for Oaths in and for the Province of Alberta

**Roscoe Gee**  
**Student-At-Law**

Via Email (bryn.jones@kmcmining.com)

November 18, 2024

**KMC Mining Corporation & KMC Mining (BC) Ltd.**  
c/o KMC Mining Corporation  
28712 – 114 Ave  
Acheson, Alberta T7X 6E6

**Attention: Bryn Jones, Chief Financial Officer**

Dear Sir:

**Re: Credit agreement dated as of August 13, 2024 (the "Credit Agreement") among, *inter alios*, KMC Mining Corporation (the "Borrower"), certain financial institutions party thereto, as lenders (collectively, the "Lenders"), and ATB Financial, as administrative agent for the Lenders (in such capacity, the "Administrative Agent") - Notice of Default & Reservation of Rights**

---

We refer to the Credit Agreement pursuant to which KMC Mining Corporation is the Borrower and KMC Mining (BC) Ltd. is a guarantor (in such capacity, the "**Guarantor**"). Capitalized terms used and not otherwise defined in this letter have the respective meanings ascribed thereto in the Credit Agreement.

**1. Background**

Pursuant to Section 9.3(a) of the Credit Agreement, the Borrower covenanted and agreed with each of the Lenders and the Administrative Agent not to, at any time up to and including the Fiscal Quarter ending December 31, 2024, permit the Senior Net Debt to EBITDA Ratio to be greater than 3.50 to 1.00 (the "**Financial Covenant**"). On or about October 24, 2024, the Borrower advised the Administrative Agent and the Lenders that the Senior Net Debt to EBITDA Ratio for the October 31, 2024 month-end was expected to be 3.51 to 1.00 and, on or about November 14, 2024, the Borrower revised its calculations and advised the Administrative Agent that, as of such date, the Senior Net Debt to EBITDA Ratio for the October 31, 2024 month-end was 3.71 to 1.00. Accordingly, the Borrower has breached the Financial Covenant (such breach, the "**Financial Covenant Breach**").

Pursuant to Subsection 9.1(f)(iv) of the Credit Agreement, the Borrower covenanted and agreed, *inter alia*, to maintain each Material Agreement in full force and effect (the "**Material Agreement Positive Covenant**"), and pursuant to Subsection 9.2(n)(i)(B) of the Credit Agreement, the Borrower covenanted and agreed, *inter alia*, not to terminate any Material Agreement without the prior written consent of the Administrative Agent, on behalf of the Majority Lenders (the "**Material Agreement Negative Covenant**"). In addition, pursuant to Sections 2.1(s) and 2.2 of the Credit Agreement, the Borrower represented, on each Drawdown Date, that each of its Material Agreements was in good standing and in full force and effect (the "**Material Agreement Representation**").

On or about October 24, 2024, the Borrower advised the Administrative Agent that the Sub Agreement (contract number CW2274443) entered into in connection with the Regional Civil Earthworks Multiple Use Agreement (contract number CW2261293) dated February 9, 2024, each between the Borrower and Suncor Energy Oil Sands Limited Partnership, by its authorized agent, Suncor Energy Services Inc. ("**Suncor**"), had been terminated by Suncor. Accordingly, the Borrower has breached the Material Agreement Positive Covenant and the Material Agreement Negative Covenant.



## 2. Notice of Defaults

Pursuant to Section 10.1 of the Credit Agreement, the Administrative Agent hereby notifies the Borrower of each of the following:

- (a) the breach of the Material Agreement Positive Covenant, pursuant to Section 10.1(d) of the Credit Agreement;
- (b) the occurrence of a misrepresentation pursuant to Section 10.1(e) of the Credit Agreement, as the Material Agreement Representation (for certainty, as repeated pursuant to Section 2.2 of the Credit Agreement) is now incorrect; and
- (c) the occurrence of one or more events which would reasonably be expected to have a Material Adverse Effect pursuant to Section 10.1(s) of the Credit Agreement,

(collectively and, together with the Financial Covenant Breach and the breach of the Material Agreement Negative Covenant, the "**Defaults**"), all of which Defaults are continuing on the date hereof.

For greater certainty and the avoidance of doubt, the Administrative Agent hereby notifies the Borrower that the Financial Covenant Breach and the breach of the Material Agreement Negative Covenant constitute Events of Default on the date hereof, pursuant to Section 10.1(c) of the Credit Agreement.

## 3. Reservation of Rights

Notwithstanding that the Administrative Agent and the Lenders may permit further Accommodations while the Defaults are continuing, the Administrative Agent and the Lenders each hereby reserve all rights they may have in connection with any of the Defaults, including, without limitation, the right to: (i) seek immediate repayment of the Facilities from the Borrower and the Guarantor, together with interest, fees and any costs (including legal fees on a solicitor and client full indemnity basis), which may be incurred by the Administrative Agent and/or the Lenders in connection with the collection thereof, and (ii) exercise any of the other remedies set forth in Article 10 of the Credit Agreement at any time.

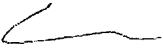
This letter: (a) shall be read together with the Credit Agreement as one instrument; (b) shall constitute a Loan Document pursuant to the Credit Agreement; (c) shall be governed by and construed in accordance with the laws of Alberta and of Canada applicable therein; and (d) may be executed and delivered electronically and, when so executed and delivered, shall be deemed to be an original of one and the same instrument.


**[signature page follows; remainder intentionally left blank]**

Please contact us to discuss next steps. We thank you for your attention to this matter.

Yours truly,

**ATB FINANCIAL, as Administrative Agent**

Per:   
\_\_\_\_\_  
Name: Chris Borowski  
Title: Director, Loan Syndications

Per:   
\_\_\_\_\_  
Name: Sean Tyler  
Title: Associate Director, Loan Syndications

cc: Each of the Lenders  
McLennan Ross LLP, counsel to the Borrower and the Guarantor  
Attention: Pat Haughian (via email: pat.haughian@mross.com)

Via Email (bryn.jones@kmcmining.com)

December 2, 2024

KMC Mining Corporation & KMC Mining (BC) Ltd.  
c/o KMC Mining Corporation  
28712 – 114 Ave  
Acheson, Alberta T7X 6E6

Attention: Bryn Jones, Chief Financial Officer

Dear Sir:

Re: Credit agreement dated as of August 13, 2024 (the "Credit Agreement") among, *inter alios*, KMC Mining Corporation (the "Borrower"), certain financial institutions party thereto, as lenders (collectively, the "Lenders"), and ATB Financial, as administrative agent for the Lenders (in such capacity, the "Administrative Agent") – Supplemental Notice of Default & Continued Reservation of Rights

---

We refer to the Credit Agreement pursuant to which KMC Mining Corporation is the Borrower and KMC Mining (BC) Ltd. is a guarantor (in such capacity, the "**Guarantor**"). We also refer to the Administrative Agent's prior notice to the Borrower dated November 18<sup>th</sup>, 2024, detailing certain defaults under the Credit Agreement and reserving the rights of the Administrative Agent and Lenders (the "**Notice of Default**").

Capitalized terms used and not otherwise defined in this letter have the respective meanings ascribed thereto in the Credit Agreement, or the Notice of Default.

## 1. Background

As described in the Notice of Default, the Borrower covenanted and agreed with each of the Lenders and the Administrative Agent, *inter alia*: (a) not to, at any time up to and including the Fiscal Quarter ending December 31, 2024, permit the Senior Net Debt to EBITDA Ratio to be greater than 3.50 to 1.00 (the "**Financial Covenant**"); (b) to maintain each Material Agreement in full force and effect (the "**Material Agreement Positive Covenant**"); and (c) not to terminate any Material Agreement without the prior written consent of the Administrative Agent, on behalf of the Majority Lenders (the "**Material Agreement Negative Covenant**"). In addition, as described in the Notice of Default, the Borrower represented, on each Drawdown Date, that each of its Material Agreements was in good standing and in full force and effect (the "**Material Agreement Representation**").

In addition, pursuant to s. 3.7(c) of the Credit Agreement, the Borrower covenanted and agreed with each of the Lenders and the Administrative Agent that a Borrowing Base Shortfall will occur if at any time the aggregate amount of all Operating Borrowings exceeds the amount of the Borrowing Base as at the date of the most recently delivered Borrowing Base Certificate, and further agreed that a Borrowing Base Shortfall, unless cured, shall be an Event of Default under the Credit Agreement, and that in the case of a Borrowing Base Shortfall any undrawn credit shall cease to be available to the Borrower and the Total Operating Facility Commitment shall be reduced on a *pro rata* basis to an amount equal to the newly-determined Borrowing Base (the "**Borrowing Base Covenant**").

As further set out in the Notice of Default, the Borrower's defaults under the Credit Agreement continue as of the date hereof, including the Financial Covenant Breach and breaches of the Material Agreement Positive Covenant and the Material Agreement Negative Covenant.

On or about November 29<sup>th</sup>, 2024, the Administrative Agent became aware of the following:

- a) As at September 30<sup>th</sup>, 2024, the Borrower's Senior Net Debt to EBITDA Ratio was 3.67:1, resulting in an additional Financial Covenant Breach; and
- b) the October 31, 2024 Borrowing Base Certificate indicated a total Borrowing Base of \$17,455,796, while total Borrowings under the Operating Facility were \$19,800,000, resulting in a shortfall of at least \$2,344,204 (the "**Current Borrowing Base Shortfall**").

The calculation of the Current Borrowing Base Shortfall does not appear to include lienable payables of the Borrower; accordingly, the Current Borrowing Base Shortfall may be even greater. The Current Borrowing Base Shortfall, unless cured, amounts to a further default under the Credit Agreement (the "**Borrowing Base Default**") and entitles the Lenders to certain remedies in accordance with the Borrowing Base Covenant.

## 2. Further Notice of Default

Pursuant to Section 10.1 of the Credit Agreement, and in addition to the Defaults set out in the Notice of Default, the Administrative Agent hereby notifies the Borrower of the following further default thereunder:

- a) the additional Financial Covenant Breach; and
- b) the Borrowing Base Default (together, the "**Additional Defaults**").

The Defaults and the Additional Defaults are continuing as of the date hereof.

For greater certainty and the avoidance of doubt, the Administrative Agent hereby notifies the Borrower that the Defaults and the Additional Defaults amount to Events of Default on the date hereof, pursuant to (among other provisions) Sections 10.1(c), 10.1(h) and 10.1(o) of the Credit Agreement.

## 3. Reservation of Rights

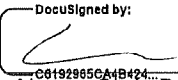
The Administrative Agent and the Lenders each hereby reserve all rights they may have in connection with any of the Defaults, including, without limitation, the right to: (i) seek immediate repayment of the Facilities from the Borrower and the Guarantor, together with interest, fees and any costs (including legal fees on a solicitor and client full indemnity basis), which may be incurred by the Administrative Agent and/or the Lenders in connection with the collection thereof, and (ii) exercise any of the other remedies set forth in Article 10 of the Credit Agreement at any time. In particular, but without limiting the foregoing, the Administrative Agent and the Lenders reserve the right to exercise any and all remedies available under the Credit Agreement, including pursuant to s. 3.7 and 10.2.

This letter: (a) shall be read together with the Credit Agreement as one instrument; (b) shall constitute a Loan Document pursuant to the Credit Agreement; (c) shall be governed by and construed in accordance with the laws of Alberta and of Canada applicable therein; and (d) may be executed and delivered electronically and, when so executed and delivered, shall be deemed to be an original of one and the same instrument.

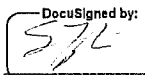
**[signature page follows; remainder intentionally left blank]**

Please contact us to discuss next steps. We thank you for your attention to this matter. Yours truly,

**ATB FINANCIAL, as Administrative Agent**

Per:   
DocuSigned by:  
C6192865C41B474...  
Name: Chris Borowski

Title: Director, Loan Syndications

Per:   
DocuSigned by:  
A0FAB26DD9754BA...  
Name: Sean Tyler

Title: Associate Director, Loan Syndications

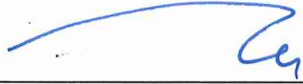
cc:

Each of the Lenders

Norton Rose Fulbright Canada LLP, counsel to the Administrative Agent  
Attention: Howard A. Gorman, K.C. (via email: [howard.gorman@nortonrosefulbright.com](mailto:howard.gorman@nortonrosefulbright.com)) and Gunnar Benediktsson (via email: [gunnar.benediktsson@nortonrosefulbright.com](mailto:gunnar.benediktsson@nortonrosefulbright.com))

Duncan Craig LLP, counsel to the Borrower and the Guarantor  
Attention: Darren Bieganeck, K.C. (via email: [dbieganeck@dcllp.com](mailto:dbieganeck@dcllp.com))

This is **Exhibit "M"** referred to in the Affidavit  
of BRYN JONES sworn before me  
on the **31<sup>st</sup>** day of December, 2024.



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A Commissioner for Oaths in and for  
the Province of Alberta

**Roscoe Gee**  
**Student-At-Law**

## AMENDED AND RESTATED DIP CREDIT FACILITY TERM SHEET

Dated December 31, 2024

**WHEREAS** pursuant to a DIP Credit Facility Term Sheet dated December 9, 2024 (the ("**Existing Terms**") between KMC Mining Corporation, as borrower, KMC Mining (BC) Ltd., as guarantor, the financial institutions from time to time party thereto as DIP Lenders and ATB Financial, as administrative agent for the DIP Lenders, the Borrower (as defined below) has requested that the DIP Agent and the DIP Lenders (each as defined below) provide financing to fund certain of the Borrower's cash requirements during the pendency of the Borrower's proceedings (the "**BIA Proceedings**") under the Bankruptcy and Insolvency Act, RSC 1985, c B-3, as amended (the "**BIA**") to be commenced by filing a Notice of Intention (the "**NOI**") with the official receiver in accordance with the terms and conditions set forth herein, and including any continuation of the BIA proceedings under any other statute, including without limitation the Companies' Creditors Arrangement Act, RSC 1985 c C-36, as amended (the "**CCAA**");

**AND WHEREAS** the parties wish to enter into these Terms (as defined below) to amend and restate the Existing Terms on and subject to the following;

**NOW THEREFORE**, the parties, in consideration of the foregoing and the mutual agreements contained herein (the receipt and sufficiency of which are hereby irrevocably acknowledged), agree that the DIP Credit Facility contemplated herein (as defined below) shall occur on and subject to the following binding terms ("**Terms**"):

<b><u>Borrower:</u></b>	KMC Mining Corporation (the " <b>Borrower</b> ").
<b><u>Guarantor:</u></b>	KMC Mining (BC) Ltd. (the " <b>Guarantor</b> " and together with the Borrower, the " <b>Loan Parties</b> ").
<b><u>DIP Agent:</u></b>	ATB Financial as administrative agent for the DIP Lenders.
<b><u>DIP Lenders:</u></b>	The financial institutions from time to time party hereto as DIP Lenders.
<b><u>Defined Terms:</u></b>	Unless otherwise defined herein, or in Schedule A attached hereto, capitalized words and phrases used in these Terms have the meanings given thereto in the Credit Agreement.
<b><u>Purpose:</u></b>	To provide for the short-term liquidity needs of the Borrower during the course of the BIA Proceedings.
<b><u>Documentation:</u></b>	Loan documents providing for the DIP Credit Facility and ancillary matters, including the DIP Credit Agreement, will be based on the Loan Documents, and will be between the applicable Loan Parties and the DIP Agent such loan documents to include covenants, representations and warranties, events of default similar to those in the Loan Documents, modified as described herein, and to reflect the debtor-in-possession financing nature, rank and priority of the DIP Credit Facility, including provisions, covenants and events of default customarily included in debtor-in-possession financings of this type (the foregoing collectively, the " <b>DIP Loan Documents</b> ").
<b><u>DIP Credit Facility</u></b>	A super priority (debtor-in-possession) interim, non-revolving credit facility of up to Cdn. \$6,000,000 (the " <b>DIP Credit Facility</b> "), to be available in multiple

	<p>advances during the Availability Period subject to the conditions herein and in the DIP Loan Documents.</p> <p>Each DIP Lender's commitment to the DIP Credit Facility is set forth next to such DIP Lender's name in Schedule B attached hereto.</p> <p>Each advance under the DIP Credit Facility (each an "<b>Advance</b>") shall be funded to the Borrower's account in accordance with the Funding Conditions.</p> <p>The initial Advance under the DIP Credit Facility by the DIP Agent to the Borrower's account shall be in the amount of Cdn. \$3,000,000 (the "<b>Initial Advance</b>") and shall require the delivery of a Drawdown Request, by the Borrower to the DIP Agent requesting such Initial Advance, prior to 10:00 am MT on the Business Day prior to the date on which such Initial Advance is to be made.</p> <p>Each Advance (other than the Initial Advance) of the DIP Credit Facility (each a "<b>Subsequent Advance</b>") shall be in increments of Cdn. \$1,000,000 and made to the Borrower's account within three Business Days following the receipt of a Drawdown Request requesting such Subsequent Advance, accompanied by an updated DIP Budget reflecting the cash flows of the Borrowers for the 12 week period beginning on the date of the Drawdown Request.</p> <p>Notwithstanding the foregoing, each Subsequent Advance shall require unanimous approval of the DIP Lenders.</p> <p>Each Drawdown Request shall certify, among other things, that: (i) all representations and warranties of the Loan Parties contained in the DIP Loan Documents remain true and correct in all material respects both before and after giving effect to the use of such proceeds, (ii) all of the covenants of the Borrowers contained herein and in the DIP Loan Documents and all other terms and conditions contained herein and in the DIP Loan Documents, including the continued satisfaction of all conditions precedent to effectiveness of the DIP Credit Agreement and to the making of Advances thereunder (to the extent not previously waived), have been complied with by the Loan Parties, (iii) no Event of Default then exists and is continuing or would result from such Advance, and (iv) the use of proceeds of such Advance will comply with the DIP Loan Documents.</p> <p>The Guarantor shall guarantee the DIP Financing Obligations pursuant to a guarantee in form and substance satisfactory to the DIP Agent.</p>
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**Conditions Precedent to Advances:**

The DIP Agent's agreement to make any Advance (including for certainty the Initial Advance) available to the Borrower is subject to satisfaction of the following conditions precedent (collectively, the "**Funding Conditions**"), as determined by the DIP Agent:

- (a) The Court shall have issued the Approval Order on or before December 9, 2024 (the "**Outside Date**"), in a form satisfactory to the DIP Agent and: (i) substantially in the form attached hereto as Schedule B, including providing for the Administrative Charge on notice to such parties as are acceptable to the DIP Agent; (ii) approving these Terms and the DIP Credit Facility; (iii) granting the DIP Agent a charge (the "**Interim Financing Charge**") securing all obligations owing by the Loan Parties to the Secured Parties under the DIP Loan Documents, and without limitation, all principal of the Advances, interest thereon and the DIP Fees and Expenses (collectively, the "**DIP Financing Obligations**"), which shall have priority over all Security Interests other than the Permitted Priority Liens; and (iv) the Approval Order shall not have been stayed, vacated or otherwise caused to be ineffective or amended, restated or modified in a way that adversely impacts the rights and interests of the DIP Agent or the DIP Lenders, as determined by the DIP Agent (acting reasonably), without the consent of the DIP Agent.
- (b) The DIP Loan Documents shall be satisfactory to the DIP Agent acting reasonably, and shall have been duly executed by each party thereto.
- (c) The DIP Agent shall, acting reasonably, be satisfied that each Loan Party has complied with and is continuing to comply in all material respects with all Applicable Laws, regulations and policies in relation to their businesses other than as may be permitted under a Restructuring Court Order or as to which any enforcement in respect of noncompliance is stayed by a Restructuring Court Order, provided the issuance of such Restructuring Court Order does not result in the occurrence of an Event of Default.
- (d) The Borrower shall be in compliance with any timetables established from time to time by them and approved by the Court and the DIP Agent, unless expressly waived in writing by the DIP Agent.
- (e) The requested Advance shall not cause the aggregate amount of all outstanding Advances to exceed the maximum principal of the DIP Credit Facility.
- (f) The Borrower shall have provided to the DIP Agent a Drawdown Request in respect of each Advance.
- (g) The representations and warranties under the DIP Loan Documents are true and correct in all respects.
- (h) No Default or Event of Default has occurred or would reasonably be expected to occur as a result of the requested Advance.
- (i) The DIP Agent is satisfied that no Material Adverse Effect shall have occurred after the date of the issuance of the Approval Order.

	<p>(j) There are no Security Interests ranking in priority to the Interim Financing Charge, other than the Permitted Priority Liens.</p> <p>For greater certainty, the DIP Agent and DIP Lenders shall not be obligated to make available funds pursuant to the DIP Loan Documents unless and until all the foregoing conditions have been satisfied and all the foregoing documentation and confirmations have been obtained, each in form and content satisfactory to the DIP Agent in its sole discretion.</p>
<p><b><u>Costs and Expenses:</u></b></p>	<p>The Borrower shall pay all of the DIP Agent's legal fees (on a solicitor-client, full indemnity basis) and out-of-pocket disbursements and any costs of realization or enforcement, in each case in connection with or otherwise related to the DIP Credit Facility, the Interim Financing Charge, or the BIA Proceedings (collectively, the "<b>DIP Fees and Expenses</b>").</p>
<p><b><u>Collateral; DIP Security:</u></b></p>	<p>All DIP Financing Obligations shall be secured by the Interim Financing Charge.</p> <p>The Interim Financing Charge shall be a priority Security Interest, subordinate only to the Permitted Priority Liens. Notwithstanding the foregoing, and subject to the concluding sentence of this paragraph, no proceeds of the DIP Credit Facility may be used to (a) investigate, object to or challenge in any way any claims of the DIP Agent against the Loan Parties in respect of the DIP Credit Facility, or (b) investigate, object to or challenge in any way the validity, perfection or enforceability of the Security Interests created pursuant to the Interim Financing Charge. Nothing in this paragraph shall restrict the Borrower or the Proposal Trustee, including the engagement by the Proposal Trustee of independent legal counsel, from (and receiving their fees, costs and expenses therefor) conducting a claims process in accordance BIA or any Restructuring Court Order.</p> <p>All Collateral will be free and clear of all Security Interests, except for the Permitted Liens.</p>
<p><b><u>DIP Budget Variance Report:</u></b></p>	<p>On a weekly basis each, the Borrower shall deliver to the DIP Agent, a comparison report (the "<b>Variance Report</b>") setting forth (a) actual receipts and disbursements for the week just ended, and (b) actual receipts and disbursements on a cumulative basis since the beginning of the period covered by the then-current DIP Budget, in each case as against the then-current DIP Budget, and setting forth a variance analysis on an aggregate basis against the then-current DIP Budget; each such Variance Report to be promptly discussed by the Borrower and the DIP Agent and their respective advisors.</p> <p>If any Variance Report shall conclude that a net negative variance, calculated as operating revenues less operating expenses (excluding any variance directly resulting from the payment of the DIP Agent and advisor fees and expenses, in excess of Cdn. \$500,000 on a cumulative basis, tested weekly, (the "<b>Permitted Variance Threshold</b>") exists for the period from the first DIP Budget issued hereunder to the date of such Variance Report, such variance shall be an Event of Default.</p> <p>Notwithstanding the foregoing, the calculation of the Permitted Variance Threshold will exclude variances associated with the approximately</p>

	\$2,000,000 miscellaneous receipt currently forecasted to be received on or about the week beginning with February 2, 2025.
<b><u>Proposal Trustee:</u></b>	The court-appointed proposal trustee in the BIA Proceedings shall be FTI Consulting Canada Inc. (the " <b>Proposal Trustee</b> "). The Proposal Trustee shall be authorized to have direct discussions with the DIP Agent, and the DIP Agent shall be entitled to receive information from the Proposal Trustee as may be requested by the DIP Agent from time to time.
<b><u>Maturity:</u></b>	<p>The DIP Credit Facility shall be repayable in full on the earliest of: (a) the occurrence of any Event of Default under the DIP Loan Documents which is continuing and has not been cured following any grace or cure period therefor (b) the implementation of a proposal within the BIA Proceedings (a "<b>Proposal</b>") which has been approved by the requisite majorities of the Borrower's creditors and by an order entered by the Court; (iii) the closing of a Bankruptcy Sale within the BIA Proceedings which has been approved by orders entered by the Court; (iv) a plan of compromise or arrangement under the CCAA; and (v) April 9, 2025 (the earliest of such dates being the "<b>Maturity Date</b>").</p> <p>The commitment in respect of the DIP Credit Facility shall expire on the Maturity Date and all amounts outstanding under the DIP Credit Facility shall be repaid in full no later than the Maturity Date, without the DIP Agent being required to make demand upon any Loan Party or to give notice that the DIP Credit Facility has expired and the obligations are due and payable. The order of the Court sanctioning any Proposal shall not discharge or otherwise affect in any way any of the obligations of any Loan Party under the DIP Credit Facility, other than after the permanent and indefeasible payment in cash to the DIP Agent of all obligations under the DIP Credit Facility on or before the date the Proposal is implemented.</p>
<b><u>Use of Proceeds:</u></b>	The proceeds of the DIP Credit Facility shall only be used: (a) to finance operating expenses, restructuring costs in the BIA Proceedings, professional fees (including fees of legal counsel to the Borrower, the Proposal Trustee and the Proposal Trustee's legal counsel), and for general corporate purposes of the Borrower and (b) to pay fees and expenses related to the DIP Credit Facility and the BIA Proceedings provided that no proceeds from the DIP Credit Facility or the Collateral shall be used other than in accordance with the DIP Loan Documents unless otherwise agreed in writing by the DIP Agent in its sole discretion.
<b><u>Evidence of Indebtedness:</u></b>	The DIP Agent's accounts and records constitute, in the absence of manifest error, conclusive evidence of the indebtedness of the Borrower to the DIP Agent pursuant to the DIP Credit Facility.
<b><u>Prepayments:</u></b>	Provided the Proposal Trustee is satisfied that there are sufficient cash reserves in the Borrower's bank accounts to satisfy amounts secured by the Permitted Priority Liens, the Borrower may prepay any amounts outstanding or any portion of any amounts outstanding under the DIP Credit Facility at any time prior to the Maturity Date, without any prepayment fee or penalty.
<b><u>Interest Rates:</u></b>	The Advances shall bear interest at a rate per annum equal to the Prime Rate plus 5% (the " <b>Interest Rate</b> "). Such interest shall accrue daily and shall be payable monthly in arrears on each Interest Date for the period from and including the date of the Advance to the Borrower to and including the day any Advances are repaid to the DIP Agent, and shall be calculated on the principal amount of the DIP Credit Facility outstanding

	during such period and on the basis of the actual number of days elapsed in a year of 365 days.
<b><u>Default Rates:</u></b>	After the occurrence (or continuation) of any Default or Event of Default, the interest rates otherwise applicable to amounts outstanding under the Loan Documents will increase by an additional 2.0% <i>per annum</i> .
<b><u>Fees:</u></b>	<p>A closing fee in the amount of (i) Cdn. \$150,000 earned and payable by the Borrower to the DIP Agent on the Closing Date, such fee to be deducted from the Initial Advance under the DIP Credit Facility and (ii) Cdn. \$150,000 earned by the DIP Agent on the Closing Date and payable by the Borrower on April 6, 2025.</p> <p>An agency fee in the amount of Cdn. \$40,000.00 earned and payable by the Borrower to the DIP Agent on the Closing Date and, such fee to be deducted from the Initial Advance under the DIP Credit Facility.</p>
<b><u>Undrawn Amount Fee:</u></b>	An undrawn amount fee shall be payable in cash on the aggregate outstanding principal of the DIP Credit Facility from the Closing Date until the date on which the Availability Period ends, at a rate equal to 2.0% <i>per annum</i> on undrawn amounts, such fee to be compounded monthly and paid in full on the Maturity Date.
<b><u>Certain Reporting:</u></b>	In addition to the reporting required by the Credit Agreement, the DIP Loan Documents will provide for certain collateral and financial reporting from the Borrower including, but not limited to: (a) the Variance Report delivered on a weekly basis, (b) updates on all material developments with respect to the business and affairs of the Borrower, and (c) other reporting and information reasonably requested by the DIP Agent from time to time as set out in the DIP Loan Documents.
<b><u>Positive Covenants:</u></b>	<p>In addition to the covenants under or in connection with the Credit Agreement and the other Loan Documents, each of the Loan Parties jointly and severally covenants and agrees to perform and do each of the following until the DIP Financing Obligations are permanently and indefeasibly repaid in full and the DIP Credit Facility is terminated:</p> <ul style="list-style-type: none"> <li>(a) (i) Allow the DIP Agent or its advisors, on reasonable written notice during regular business hours, and at any time after and during the continuance of an Event of Default, to enter on and inspect each of the Loan Parties' assets and properties; (ii) provide the DIP Agent or its advisors, on reasonable written notice and during normal business hours, full access to the books and records of the Borrowers; and (iii) cause management of the Loan Parties to fully co-operate with the DIP Agent and the Proposal Trustee or their respective agents and advisors, as applicable.</li> <li>(b) Use reasonable efforts to keep the DIP Agent apprised on a timely basis of all material developments with respect to the business and affairs of the Loan Parties, including (without limitation) the development of a Proposal or a Restructuring Option.</li> <li>(c) Use the proceeds of the DIP Credit Facility only for the purposes described herein.</li> <li>(d) Deliver to the DIP Agent periodic reporting packages and other information requested by the DIP Agent from time to time, including</li> </ul>

	<p>(i) annual and quarterly unaudited financial statements for the Loan Parties, each together with officer compliance certificates and management reports, on a look-forward basis; (ii) a reasonable period of time prior to filing with the Court, copies of all pleadings, motions, applications, judicial or financial information and other documents filed by or on behalf of the Borrower with the Court; (iii) notice of material events, including, without limitation, defaults, new litigation or changes in status of ongoing litigation, regulatory and other filings and any other event that could reasonably be expected to result in a Material Adverse Effect; (iv) the DIP Budget, at such time specified above; and (v) without limiting the foregoing, the Borrower shall deliver to the DIP Agent copies of any financial reporting provided to the Proposal Trustee in a timely manner and forthwith provide to the DIP Agent any reports or commentary received from the Proposal Trustee regarding the financial position of any Loan Party.</p> <p>(e) Provide the DIP Lenders with a cost rationalization plan, in form and substance satisfactory to the DIP Agent, acting reasonably, by January 10, 2025 and implement a cost rationalization satisfactory to the DIP Agent, acting reasonably, by January 31, 2025.</p> <p>(f) Comply with the provisions of court orders made in the BIA Proceedings applicable to the Borrower (collectively, the <b>“Restructuring Court Orders”</b> and each a <b>“Restructuring Court Order”</b>); provided that if any such Restructuring Court Order contravenes the DIP Loan Documents so as to materially adversely impact the rights or interests of the DIP Agent or the DIP Lenders, as determined by the DIP Agent acting reasonably, the same shall be an Event of Default hereunder.</p> <p>(g) Provide the DIP Agent with draft copies of all motions, applications, proposed orders or other material or documents that any of them intend to file in the BIA Proceedings as soon as practically possible prior to any such filing.</p> <p>(h) Forthwith notify the DIP Agent and the Proposal Trustee of the occurrence of any Default or Event of Default.</p> <p>(i) Provide to the DIP Agent regular updates regarding the status of the BIA Proceedings including, without limitation, reports on the progress of any Proposal, Restructuring Option, or Bankruptcy Sale and any information which may otherwise be confidential subject to same being maintained as confidential by the DIP Agent.</p> <p>(j) Further positive covenants as may be provided in DIP Loan Documents.</p>
<p><b><u>Negative Covenants:</u></b></p>	<p>In addition to the covenants under or in connection with the Credit Agreement and the other Loan Documents, each of the Loan Parties jointly and severally covenants and agrees not to do the following, other than with the prior written consent of the DIP Agent:</p> <p>(a) Transfer, lease, or otherwise dispose of all or any part of its property, unless it has obtained the prior written consent of the DIP Agent.</p> <p>(b) Make any payment of principal or interest in respect of existing (pre-filing) debt or obligation, other than as may be permitted by</p>

	<p>a Restructuring Court Order and that does not result in an Event of Default.</p> <p>(c) Make any payments or expenditures (including capital expenditures) outside the normal course of business.</p> <p>(d) Make any payments or distributions of any kind other than as may be permitted by a Restructuring Court Order and that does not result in an Event of Default and is provided for in the DIP Budget.</p> <p>(e) With respect to the Borrowers, create or permit to exist indebtedness, liabilities or obligations (including guarantees thereof or indemnities or other financial assistance in respect thereof) other than (i) existing (pre-filing) debt and disclosed to the DIP Agent in writing, (ii) debt contemplated by these Terms, (iii) post-filing trade payables or other post-filing unsecured obligations incurred in the ordinary course of business Restructuring Court Orders, and (iv) indebtedness, liabilities or obligations expressly provided for, or permitted to be incurred, in Restructuring Court Orders.</p> <p>(f) Make or give any additional financial assurances, in the form of bonds, letters of credit, guarantees or otherwise, to any person.</p> <p>(g) Support or not oppose a motion by another person to provide to any third party a Security Interest on the Collateral, other than the Permitted Priority Liens.</p> <p>(h) Change its name, amalgamate, consolidate with or merge into, or enter into any similar transaction with any other entity.</p> <p>(i) Cease (or threaten to cease) to carry on their business or activities as currently being conducted or modify or alter in any material manner the nature and type of their operations, business or the manner in which such business is conducted.</p> <p>(j) Enter into any contract or other agreement which involves potential expenditures in excess of Cdn. \$50,000.00 or the equivalent amount thereof in any other currency without the prior written consent of the Proposal Trustee, provided that the payment of such amount must be permitted by and will not constitute a default under any Restructuring Court Order.</p> <p>(k) Other than as agreed to by the DIP Agent, make (i) any distribution, dividend, return of capital or other distribution in respect of equity securities (in cash, securities or other property or otherwise); or (ii) a retirement, redemption, purchase or repayment or other acquisition of equity securities or indebtedness (including any payment of principal, interest, fees or any other payments thereon).</p> <p>(l) Enter into, renew, amend, modify or assume any employment, consulting or analogous agreement or arrangement with any director, senior or executive officer or senior management of the Borrowers or any related party, or make any payment to any such person in respect of any bonus, change of control payment or severance package of any kind whatsoever other than (i) as consented to by the Proposal Trustee and approved by a court of competent jurisdiction on prior notice to the DIP Agent or (ii) as consented to by the DIP Agent.</p>
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	<ul style="list-style-type: none"> <li>(k) Create or permit to exist any Security Interests on any of its properties or assets other than the Permitted Priority Liens.</li> <li>(l) Further negative covenants as may be provided in DIP Loan Documents.</li> </ul>
<p><b><u>Representations and Warranties:</u></b></p>	<p>In addition to the covenants under or in connection with the Credit Agreement and the other Loan Documents, each of the Loan Parties jointly and severally represents and warrants to the DIP Agent, which representations and warranties shall be deemed to be repeated at each request for an Advance, and upon which the DIP Agent rely on in providing these Terms, that:</p> <ul style="list-style-type: none"> <li>(a) Subject to the granting of the Approval Order, the execution and delivery of, and transactions contemplated by, these Terms and the other DIP Loan Documents: <ul style="list-style-type: none"> <li>(i) are within the powers of each of the Loan Parties;</li> <li>(ii) have been duly authorized by all necessary corporate and, if required, shareholder approval of each of the Loan Parties;</li> <li>(iii) have been duly executed and delivered by or on behalf of each of the Loan Parties;</li> <li>(iv) constitute legal, valid and binding obligations of each of the Loan Parties; and</li> <li>(v) do not require the consent or approval of, registration or filing with, or any other action by, any governmental or regulatory authority.</li> </ul> </li> <li>(b) The Collateral is free and clear of all Security Interests other than Permitted Priority Liens and, upon the granting of the Approval Order, the Interim Financing Charge.</li> <li>(c) None of the reports, financial statements, certificates or other written information furnished by or on behalf of the Loan Parties to the DIP Agent or its advisors and counsel in connection with the negotiation of these Terms or delivered with respect thereto (as modified or supplemented by other information so furnished), contains any misstatement of material fact or omits to state any material fact necessary to make the statements therein, taken as a whole, in the light of the circumstances under which it was made, not materially misleading; <i>provided that</i> to the extent any such reports, financial statements, certificates or other written information therein was based upon or constitutes a forecast or projection, the Loan Parties represent only that they have acted in good faith and utilized assumptions believed by them to be reasonable at the time made.</li> <li>(d) Each of the Loan Parties has, in respect of all prior fiscal periods <ul style="list-style-type: none"> <li>(i) filed all tax returns, except in respect of any prior fiscal period for which the due date for filing the applicable tax return has not yet occurred and</li> <li>(ii) paid all taxes owing for all prior fiscal periods except for any taxes that are not yet due and payable or that are being diligently contested in good faith by such Loan Party and for which sufficient reserves have been set aside.</li> </ul> </li> <li>(e) The activities of the Loan Parties have been conducted in material compliance with all applicable laws, subject to the provisions of</li> </ul>

	<p>the BIA and any Restructuring Court Order, unless: (i) otherwise ordered by the court of competent jurisdiction, or (ii) the sanctions for non-compliance are stayed by a Restructuring Court Order.</p> <p>(f) Each of the Loan Parties has maintained its obligations for payroll, source deductions, goods and services tax and harmonized sales tax, and other taxes, as applicable, and is not in arrears in respect of payment of these obligations.</p> <p>(g) All representations and warranties made by the Loan Parties in all other documentation are materially true and correct in all respects.</p> <p>(h) No Default or Event of Default has occurred or is continuing.</p> <p>(i) The Loan Parties have made full and complete disclosure in writing to the DIP Agent of all litigation or other proceedings involving the Loan Parties (or any one or more of them) and (ii) all claims and/or threatened claims, litigation or proceedings against the Loan Parties.</p> <p>(j) All material contracts to which any Loan Party is a party are in full force and effect and are valid, binding and enforceable in accordance with their terms.</p> <p>(k) Other than as previously disclosed in writing to the DIP Agent, no Loan Party has any defined benefit pension plans or similar plans.</p> <p>(l) No Loan Party is liable for any indebtedness for borrowed money, except as disclosed in the BIA Proceedings.</p> <p>(m) Each Loan Party, from and after the granting of the Approval Order, will be and shall remain in compliance with the Approval Order.</p>
<p><b><u>Events of Default:</u></b></p>	<p>In addition to the covenants under or in connection with the Credit Agreement and the other Loan Documents, the occurrence of any one or more of the following events shall constitute an event of default (each, an “<b>Event of Default</b>”):</p> <p>(a) the issuance of an order of the Court (including any Restructuring Court Order) or any other court of competent jurisdiction under the DIP Loan Documents:</p> <ul style="list-style-type: none"> <li>(i) dismissing the BIA Proceedings, or lifting the stay in the BIA Proceedings to permit (A) the enforcement of any Security Interest against the Borrower, or a material portion of their respective property, assets or undertaking, or (B) the making of a bankruptcy order against the Borrower;</li> <li>(ii) granting any court-ordered charge against the Collateral which ranks senior to or pari passu with the Interim Financing Charge, other than the Priority Charges;</li> <li>(iii) staying, reversing, vacating or otherwise modifying the DIP Loan Documents, or any Restructuring Court Order in a manner materially adverse to the interests of the DIP Agent or the DIP Lenders, as determined by the DIP Agent acting reasonably; and</li> <li>(iv) materially adversely impacting the rights and interests of the DIP Agent or the DIP Lenders, as determined by the DIP</li> </ul>



	<p style="text-align: center;">Agent acting reasonably without the prior written consent of the DIP Agent.</p> <p>(b) The filing of any pleading by any Loan Party seeking any of the matters set forth in paragraph (a) above, or failure of any Loan Party to diligently oppose any person that brings an application or motion for the relief set out in paragraph (a) above.</p> <p>(c) Failure of any of the Loan Party to comply with (i) any of the negative covenants in these Terms or any of the DIP Loan Documents, or (ii) any of the affirmative covenants in these Terms.</p> <p>(d) The occurrence of a Material Adverse Effect.</p> <p>(e) Any representation or warranty by a Loan Party in any DIP Loan Document shall be incorrect or misleading in any material respect when made.</p> <p>(f) Any Proposal is sanctioned or any Restructuring Option is consummated by the Borrower that is not consistent with or contravenes any provision of any DIP Loan Document in a manner that is materially adverse to the interests of the DIP Agent or the DIP Lenders, as determined by the DIP Agent acting reasonably, or would reasonably be expected to be a Material Adverse Effect unless the DIP Agent consented thereto.</p> <p>(g) Any revised DIP Budget or Variance Report is not delivered to the DIP Agent when due.</p> <p>(h) Without the prior written consent of the DIP Lenders, if any Variance Report concludes that a net negative variance of Cdn. \$500,000 (excluding any variance directly resulting from the payment of the DIP Agent and advisor fees and expenses, on a cumulative basis) exists for the period from the first DIP Budget issued hereunder to the date of such Variance Report.</p> <p>(i) The aggregate amount of the outstanding Advances under the DIP Credit Facility exceeds maximum amount available under the DIP Credit Facility.</p> <p>(j) Any material violation or breach of any Restructuring Court Order.</p> <p>(k) Any proceeding, motion or application is commenced or filed by any of the Loan Parties, or if commenced by another party, supported or otherwise consented to by any Loan Party, (i) seeking the invalidation, subordination or other challenging of or is otherwise inconsistent with the terms of the DIP Credit Facility.</p> <p>(l) Any Loan Party challenging the validity, priority, perfection or enforceability of the Security Interests created pursuant to the Interim Financing Charge.</p> <p>(m) The priority of the Security Interests created pursuant to the Interim Financing Charge is varied without the consent of the DIP Agent.</p> <p>(n) Failure of any Loan Party to pay any interest, fees or other amount when due under this DIP Loan Documents or principal when due under the DIP Credit Facility.</p> <p>(o) Except as otherwise agreed to in writing by the DIP Agent, any Loan Party is required by any Governmental Authority to make expenditures or pay damages, fines, claims, costs or expenses to</p>
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	<p>remediate, in respect of any Environmental Liabilities, and such requirement is not stayed by a Restructuring Court Order.</p> <p>(p) Any Loan Party commences an action or takes any other proceeding to obtain any form of relief against the DIP Agent.</p> <p>(q) The Borrower does not receive Court approval of a sale and investor solicitation process, in form and substance satisfactory to the DIP Agent, by January 31, 2025.</p> <p>(r) The expiry without further extension of the stay of proceedings provided for in the Approval Order;</p> <p>(s) Any Loan Party ceases (or threatens to cease) to carry on business in the ordinary course.</p> <p>(t) The denial or repudiation by any Loan Party of the legality, validity, binding nature or enforceability of any portion of the DIP Loan Documents.</p>
<p><b><u>Remedies:</u></b></p>	<p>Upon the occurrence of an Event of Default that is continuing, and subject to the Restructuring Court Orders, the DIP Agent may, in its sole and absolute discretion, elect to terminate its commitments to make Advances to the Borrower hereunder and declare all DIP Financing Obligations in respect of the DIP Loan Documents to be immediately due and payable and cease making any further Advances.</p> <p>In addition, upon the occurrence of an Event of Default that is continuing, the DIP Agent may, in its sole discretion, on not less than five days' written notice to the Borrower and the Proposal Trustee, and subject to any Restructuring Court Order:</p> <p>(a) set-off or combine any amounts then owing by the DIP Agent to the Loan Parties against the obligations of the Loan Parties to the DIP Agent;</p> <p>(b) apply to the court for an order or orders, on terms satisfactory to the Proposal Trustee and the DIP Agent, providing the Proposal Trustee with the power, in the name of and on behalf of the Loan Parties, to take all necessary steps in the BIA Proceedings;</p> <p>(c) subject to obtaining prior approval from the court, exercise the powers and rights of a secured party under the <i>Personal Property Security Act</i> (Alberta) or any other applicable law relating to the enforcement of Security Interests by the DIP Agent against any types of property and for certainty including the Collateral; and</p> <p>(d) subject to obtaining prior approval from the court, exercise all such other rights and remedies under the, the Restructuring Court Orders and the applicable laws.</p> <p>The rights and remedies of the DIP Agent under this DIP Loan Documents are cumulative and are in addition to and not in substitution for any other rights and remedies available at law or in equity or otherwise, including under the BIA.</p>
<p><b><u>Governing Law and Jurisdiction:</u></b></p>	<p>The DIP Loan Documents shall be governed by and interpreted in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein. Without prejudice to the right of the DIP Agent to commence any proceedings with respect to the DIP Loan Documents in any other proper jurisdiction, the parties to the DIP Loan Documents shall attorn</p>

	and submit to the non-exclusive jurisdiction of the courts of the Province of Alberta.
<b><u>Amendment and Restatement</u></b>	<p>The Existing Terms are hereby amended and restated in the form of the Terms.</p> <p>All Advances (as defined in the Existing Terms) and other amounts outstanding under the Existing Terms prior to the date hereof shall continue to be outstanding under these Terms and shall be deemed to be Advances and other obligations, including, without limitation, the DIP Financing Obligations, owing by the Loan Parties to the Lender under these Terms.</p> <p>Notwithstanding the foregoing or any other term hereof, all of the covenants, representations and warranties on the part of the Borrower and the other Loan Parties under the Existing Terms and all of the claims and causes of action arising against the Borrower and the other Loan Parties in connection therewith, in respect of all matters, events, circumstances and obligations arising or existing prior to the date hereof shall continue, survive and shall not be merged in the execution of these Terms or any other DIP Loan Documents or any Advance or provision of any commitment hereunder.</p>
<b><u>Incorporation of Provisions</u></b>	Sections 14.1, 14.3, 14.5, 14.6 and 14.7 of the Credit Agreement are incorporated herein <i>mutatis mutandis</i> .

These Terms may be executed in any number of counterparts, including by facsimile and PDF all of which taken together shall be deemed to constitute one and the same instrument and any of the parties hereto may execute these Terms by signing any such counterpart. The words "execution," "execute," "signed," "signature," and words of like import in or related to any document to be signed in connection with these Terms shall be deemed to include electronic signatures, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law including, without limitation, as provided in Parts 2 and 3 of the *Personal Information Protection and Electronic Documents Act* (Canada), the *Electronic Commerce Act, 2000* (Ontario), the *Electronic Transaction Acts* (British Columbia), the *Electronic Transactions Act* (Alberta), or any other similar laws based on the Uniform Electronic Commerce Act of the Uniform Law Conference of Canada. The DIP Agent may, in its discretion, require that any such documents and signatures executed electronically or delivered by fax or other electronic transmission be confirmed by a manually-signed original thereof; provided that the failure to request or deliver the same shall not limit the effectiveness of any document or signature executed electronically or delivered by fax or other electronic transmission.

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IN WITNESS WHEREOF, the parties hereby execute these Terms as at the date first above mentioned.

**ATB Financial, DIP Agent**

Per:   
Name: Rajeev Mall

Title: Head of Syndications Agency, Loan Syndicatio

Per:   
Name: Brian Spilchen

Title: Director, Corporate Risk Advisory & Manageme

**ATB Financial, as DIP Lender**

Per:   
Name: Brian Spilchen

Title: Director, Corporate Risk Advisory & Manageme

Per:   
Name: Jacky Cheung

Title: Associate Director

**Canadian Western Bank, as DIP Lender**

Per:

*Dean Chan*

\_\_\_\_\_  
Name: Dean Chan

Title: VP, Special Asset Management

Per:

*OK*

\_\_\_\_\_  
Name: Ovais Khan

Title: AVP, Special Asset Management

**Export Development Canada, as DIP Lender**

Per: 

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Name: Michelle Flynn

Title: Special Risks Manager

Per: 

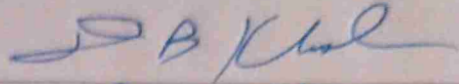
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Name: Jessica Markic

Title: Special Risks Manager

**KMC Mining Corporation, as Borrower**

Per:



Name: Daniel B. Klenske

Title: Director

**KMC Mining (BC) Ltd., as Guarantor**

Per:



Name: Daniel B. Klenske

Title: Director



## Schedule A DEFINED TERMS

**“Administration Charge”** means a charge on the collateral created under the Approval Order in aggregate amount not to exceed Cdn \$500,000.00 securing the Administration Obligations, as such charge may be amended by any other Order in the BIA Proceedings.

**“Administration Obligations”** means the indebtedness, liabilities, and Obligations of the Borrower in respect of the unpaid professional fees and disbursements of the Proposal Trustee, the Proposal Trustee’s legal counsel, and the Borrower’s legal counsel, in connection with the BIA Proceedings that were and are incurred both before and after the granting of the Approval Order.

**“Approval Order”** means the order of the Court dated no later than December 9, 2024 approving, among other things, the Administration Charge, the Interim Financing Charge and the extension of the stay of proceedings created by the NOI.

**“Availability Period”** means the period commencing on the Closing Date and ending on the Maturity Date.

**“Bankruptcy Sale”** means the sale of all or substantially all of the assets of the Borrower pursuant to a sale approved by the Court.

**“Credit Agreement”** means the Credit Agreement, dated as of August 13, 2024 KMC Mining Corporation, as borrower, the financial institutions party thereto, as lenders, and ATB Financial, as administrative agent.

**“Closing Date”** means the date on which all conditions precedent to effectiveness of the DIP Credit Agreement are satisfied or waived.

**“Court”** means the Court of King’s Bench of Alberta, Judicial Centre of Calgary.

**“Default”** means any event or circumstances which, with the passing of time, the giving of notice or other similar condition would constitute an Event of Default.

**“DIP Budget”** means the weekly financial projections prepared by the Borrower commencing on the week beginning December 1, 2024, which shall be in the form attached to the Proposal Trustee’s report, or as otherwise approved by the DIP Lenders in their sole and absolute discretion, which financial projections shall be updated on a weekly basis and include a detailed analysis on variance, unless otherwise agreed to by the DIP Lenders in their sole and absolute discretion.

**“DIP Credit Agreement”** means the credit agreement pursuant to which the DIP Credit Facility shall be established.

**“Drawdown Request”** means a written request to the DIP Agent from the Borrower for an Advance under the DIP Credit Facility, in form and substance satisfactory to the DIP Agent.

**“Filing Date”** means December 5, 2024.

**“Material Adverse Effect”** means any event, circumstance, occurrence or change which materially impairs or has a material adverse effect on, or would reasonably be expected to materially impair or have a material adverse effect on:

- (a) the business, financial condition, operations or assets of the Loan Parties on a consolidated basis and taken as a whole (other than a “going concern” qualification resulting from the BIA Proceedings);

- (b) the ability of any Loan Party to perform its obligations under the DIP Loan Documents and Loan Documents to which it is a party and under any applicable Approving Order;
- (c) the validity or enforceability of any DIP Loan Document or Loan Documents; or
- (d) the Collateral, the Interim Financing Charge, the priority thereof or any material right or remedy of the DIP Agent or any DIP Lender under any DIP Loan Document or Loan Document.

**“Order”** means an order of the Court in the BIA Proceedings.

**“Permitted Liens”** means (i) the Interim Financing Charge; (ii) any charges created under the Approval Order or other order of the Court in the BIA Proceedings subsequent in priority to the Interim Financing Charge, the limit and priority of each of which shall be acceptable to the DIP Agent in its discretion; (iii) valid and perfected Security Interests existing prior to December 9, 2024; (iv) inchoate statutory Security Interest arising after the Filing Date in respect of any accounts payable arising after the Filing Date in the ordinary course of business, provided to pay all such amounts are paid as and when due; and (v) the Permitted Priority Liens.

**“Permitted Priority Liens”** means: (a) the Priority Charges; (b) statutory super-priority Security Interest for unpaid employee source deductions; (c) Security Interests for unpaid municipal or county property taxes or utilities to the extent that they are given first priority over other Interim Financing Charge by statute; and (d) such other Security Interests as may be agreed to in writing by the DIP Agent.

**“Priority Charges”** means the Administration Charge and any such other charge that the Court may grant and the DIP Lenders may approve.

**“Restructuring Option”** means any transaction involving the refinancing of the Borrower, the sale of all or substantially all of the assets of the Borrower or any other restructuring of the Borrower's businesses and operations, including any liquidation, bankruptcy or other insolvency proceeding in respect of the Borrower.

**Schedule B**  
**DIP Lender Commitments**

<b>DIP Lender</b>	<b>Commitment to DIP Credit Facility</b>
ATB Financial	Cdn. \$3,375,000
Canadian Western Bank	Cdn. \$1,500,000
Export Development Canada	Cdn. \$1,125,000

**Schedule C  
APPROVAL ORDER**

See attached.

COURT FILE NO. 24-3162620

COURT Court of King's Bench of Alberta

JUDICIAL CENTRE Edmonton

IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, RSC  
1985, c B-3, AS AMENDED

AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A  
PROPOSAL OF **KMC MINING CORPORATION**

DOCUMENT **ORDER (First Stay Extension, Administration Charge, Interim  
Financing Charge and Other Relief)**

ADDRESS FOR  
SERVICE AND  
CONTACT  
INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

DARREN R. BIEGANEK, KC/  
ZACHARY SOPROVICH  
Barrister & Solicitor  
Phone: 780.441.4386  
Fax: 780.428.9683  
Email: [dbieganeke@dcllp.com](mailto:dbieganeke@dcllp.com)  
File # 204-219113

**DUNCAN CRAIG LLP**  
LAWYERS MEDIATORS  
2800 Rice Howard Place  
10060 Jasper Avenue  
Edmonton, Alberta Canada T5J 3V9

**DATE ON WHICH ORDER PRONOUNCED:**

**DECEMBER 9, 2024**

**NAME OF JUSTICE WHO MADE THIS ORDER:**

**JUSTICE M.E. BURNS**

**LOCATION OF HEARING:**

**EDMONTON, ALBERTA**

**UPON** the Application of **KMC Mining Corporation ("KMC")**; **AND UPON** having read the Affidavit of Daniel Klemke and the Affidavit of Service, filed, and noting service of this Application on KMC's first secured lender, being a syndicate of lenders led by ATB Financial and including Canadian Western Bank, Export Development Canada and Laurentian Bank of Canada (collectively the "**Syndicate**") and KMC's second priority security lender, The Klemke Foundation; **AND UPON** reading the Report of FTI Consulting Canada Inc. in its capacity as proposal trustee of KMC ("**Proposal Trustee**") dated December 2024; **AND UPON** being advised that the secured creditors who are likely to be affected by the charges created herein (the Syndicate and The Klemke Foundation) have been provided notice of this application and do not oppose the relief sought by KMC; **AND UPON** hearing

counsel for KMC, counsel for the Proposal Trustee, counsel for the Syndicate and counsel for The Klemke Foundation; **IT IS HEREBY ORDERED AND DECLARED THAT:**

#### **SERVICE**

1. The time for service of the notice of application for this order (the "**Order**") is hereby abridged and deemed good and sufficient and this application is properly returnable today.

#### **EXTENSION OF TIME TO FILE A PROPOSAL**

2. The time within which KMC is required to file a proposal to its creditors with the Official Receiver, under section 50.4 of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the "**BIA**") is extended to February 18, 2025 (as extended from time to time, the "**Stay Period**").

#### **ADMINISTRATION CHARGE**

3. The Proposal Trustee, counsel to the Proposal Trustee, and counsel to KMC shall be paid their reasonable fees and disbursements (including any pre-filing fees and disbursements related to these proceedings), in each case at their standard rates and charges, by KMC as part of the costs of these proceedings. KMC is hereby authorized and directed to pay the accounts of the Proposal Trustee, counsel for the Proposal Trustee and counsel for KMC on a monthly basis and, in addition, KMC is hereby authorized to pay to the Proposal Trustee, counsel to the Proposal Trustee, and counsel to KMC, if requested retainers in the respective amount[s] of up to \$50,000, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.
4. The Proposal Trustee and its legal counsel shall pass their accounts from time to time.
5. The Proposal Trustee, counsel to the Proposal Trustee, if any, and KMC's counsel, as security for the professional fees and disbursements incurred both before and after the granting of this Order, shall be entitled to the benefits of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of **\$500,000 (Five Hundred Thousand Dollars)**, as security for their professional fees and disbursements incurred at the normal rates and charges of the Proposal Trustee and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 12 and 14 hereof.

#### **INTERIM FINANCING**

6. KMC is hereby authorized and empowered to obtain and borrow under a credit facility from the Syndicate (the "**Interim Lender**") to finance KMC's working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under such

credit facility shall not exceed **\$6,000,000 (Six Million Dollars)** unless permitted by further order of this Court.

7. The Interim Financing Facility shall be on the terms and subject to the conditions set forth in the Interim Financing Term Sheet ("**Term Sheet**") attached as Appendix "C" to the First Report of the Proposal Trustee dated December 6, 2024.
8. KMC is hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs, and security documents, guarantees and other definitive documents (collectively, the "**Definitive Documents**"), as are contemplated by the Commitment Letter or as may be reasonably required by the Interim Lender pursuant to the terms thereof, and KMC is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities, and obligations to the Interim Lender under and pursuant to the Commitment Letter and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.
9. The Interim Lender shall be entitled to the benefits of and is hereby granted a charge (the "**Interim Lender's Charge**") on the Property to secure all obligations under the Definitive Documents incurred on or after the date of this Order which charge shall not exceed the aggregate amount advanced on or after the date of this Order under the Definitive Documents. The Interim Lender's Charge shall not secure any obligation existing before this the date this Order is made. The Interim Lender's Charge shall have the priority set out in paragraphs 12 and 14 hereof.
10. Notwithstanding any other provision of this Order:
  - (a) the Interim Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the Interim Lender's Charge or any of the Definitive Documents;
  - (b) upon the occurrence of an event of default under the Definitive Documents or the Interim Lender's Charge, the Interim Lender, upon **ten (10) days** notice to KMC and the Proposal Trustee, may exercise any and all of its rights and remedies against KMC or the Property under or pursuant to the Commitment Letter, Definitive Documents, and the Interim Lender's Charge, including without limitation, to cease making advances to KMC and set off and/or consolidate any amounts owing by the Interim Lender to KMC against the obligations of KMC to the Interim Lender under the Commitment Letter, the Definitive Documents or the Interim Lender's Charge, to

make demand, accelerate payment, and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against KMC and for the appointment of a trustee in bankruptcy of KMC; and

- (c) the foregoing rights and remedies of the Interim Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of KMC or the Property.
11. The Interim Lender shall be treated as unaffected in any proposal filed by KMC under the BIA or any plan of arrangement or compromise filed by KMC under the *Companies' Creditors Arrangement Act*, RSC 1985, c. C-36 ("**CCAA**") with respect to any advances made under the Definitive Documents.

#### **PRIORITY OF CHARGES**

12. The Charges shall constitute a security interest and charge on the Property and shall rank in priority to all and claims of the Syndicate and The Klemke Foundation only. The Charges specifically do not attach to or otherwise apply to affect any other secured creditors, including equipment lessors, of KMC claiming security interests, trusts, liens, charges, deemed trusts, or encumbrances in the Property of KMC, provided however that KMC is at liberty to apply at a subsequent date, on notice to any potentially affected parties, whether under the BIA or such other statute or legislation as applicable, for an order declaring the Charges, or such further and other charges as may be requested by KMC, rank in priority to the claims of any other secured creditor of KMC, or in priority to any other person with a claim in the nature of a secured claim, as may be appropriate in the circumstances.
13. The filing, registration or perfection of the Administration Charge and the Interim Lender's Charge (collectively, the "**Charges**") shall not be required, and the Charges shall be enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.
14. The ranking as between the Charges shall be as follows:
- (a) First, the Administration Charge;
  - (b) Second, the Interim Lender's Charge.
15. Except as otherwise provided herein, or as may be approved by this Honourable Court, KMC shall not grant any encumbrances over the Property that rank in priority to, or *pari passu* with, any of the Charges, unless KMC obtains the prior written consent of the beneficiaries of the



Charges (the “**Chargees**”) or further order of this Court.

16. The Charges shall not be rendered invalid or unenforceable and the rights and remedies of the Chargees thereunder shall not otherwise be limited or impaired in any way by:
- (a) the pendency of these proceedings and the declarations of insolvency made in this Order;
  - (b) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications;
  - (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA;
  - (d) the provisions of any federal or provincial statutes; or
  - (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an “**Agreement**”) that binds KMC, and notwithstanding any provision to the contrary in any Agreement:
    - (i) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of any documents in respect thereof, shall create or be deemed to constitute a new breach by KMC of any Agreement to which they, or any one of them, is a party;
    - (ii) none of the Chargees shall have any liability to any person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges, or the execution, delivery or performance of the Interim Financing Facility; and
    - (iii) the payments made by KMC pursuant to this Order and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct or other challengeable or voidable transactions under any applicable law.

#### **SALE OF PROPERTY**

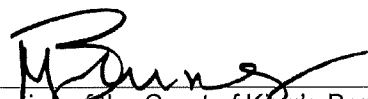
17. During the Stay Period, and if approved by the Proposal Trustee, KMC is authorized to sell and dispose of redundant or non-material assets not exceeding \$1,000,000 in the aggregate provided that any sale that is either (i) in excess of the above thresholds, or (ii) in favour of a person related to KMC (within the meaning of section 4(2) of the BIA), shall require authorization by this Court.

**ALLOCATION**

18. Any interested Person may apply to this Court on notice to any other party likely to be affected for an order to allocate the Administration Charge and the Interim Lender's Charge amongst the various assets comprising the Property.

**GENERAL**


19. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.
20. Any interested party (including KMC and the Proposal Trustee) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.
21. This Order and all of its provisions are effective as of 12:01 a.m. Mountain Standard Time on the date of this Order.



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Justice of the Court of King's Bench of Alberta

This is **Exhibit "N"** referred to in the Affidavit  
of BRYN JONES sworn before me  
on the **31<sup>st</sup>** day of December, 2024.



---

A Commissioner for Oaths in and for  
the Province of Alberta

**Roscoe Gee**  
Student-At-Law



Ernst & Young Orenda  
Corporate Finance Inc.  
Calgary City Centre  
2200 - 215 2nd Street SW  
Calgary, AB T2P 1M4

Tel: +1 403 290 4100  
Fax: +1 403 290 4265  
ey.com

KMC Mining Corporation  
28712 – 114 Avenue  
Acheson, AB, Canada  
T7X 6E6  
Attn: Dan Klemke

23 December 2024

## Proposed divestiture of Assets

Dear Dan:

Thank you for choosing Ernst & Young Orenda Corporate Finance Inc. ("we" or "EY" or "Sales Agent") to perform certain professional services (the "Services") for KMC Mining Corporation ("you" or "Client"). We appreciate the opportunity to assist you and look forward to continue working with you.

The attached Statement of Work describes the scope of the Services, our fees for the Services, and any additional arrangements. The Services will be subject to the terms and conditions of this letter, together with its attachments, including the General and Supplemental terms and conditions attached to this letter (together, this "Agreement"). Please sign this letter in the space provided below to indicate your agreement with these arrangements and return it to Brock at your earliest convenience. If you have any questions about any of these materials, please do not hesitate to contact Brock so that we can address any issues you identify before we begin to provide any Services.

Yours very truly,

*Ernst & Young Orenda  
Corporate Finance Inc.*


per Brock McMillan, President



Building a better  
working world

Agreed:

KMC Mining Corporation

per   
Dan Klemke  
President and Chairman

*I confirm I have the authority to bind KMC Mining Corporation.*

Encl:

*December 23, 2024*

- ▶ Statement of work
- ▶ General terms and conditions

## Statement of work

### Background

On December 5, 2024, KMC Mining Corporation ("KMC Mining"), filed a Notice of Intention to Make a Proposal ("NOI") pursuant to section 50.4(1) of the Bankruptcy and Insolvency Act. FTI Consulting Canada Inc. ("FTI") was appointed as the Trustee in this matter.

In January, 2025 that NOI will be converted to a CCAA process and KMC will commence a Court approved asset monetization process in order to generate proceeds to repay its debts and FTI will be appointed as the Court appointed Monitor of KMC (the "Monitor").

### Scope of engagement

We are pleased to accept this engagement as your exclusive financial advisor and Sales Agent. You have asked for our assistance in connection with the proposed direct or indirect sale (a "divestiture") of some or all of your interest in KMC Mining Corporation (the "Business"), including by way of sale of shares or sale of assets in accordance with the court approved process.

EY's team will consist of Barry Munro, Alixandra Paris and Rhys Jones, along with other EY staff and resources as appropriate. We expect to work closely with your divestiture team, comprised of your management team and legal advisors, the Trustee and the Monitor (once appointed), to:

- ▶ support and facilitate ongoing discussions regarding overall restructuring efforts as it pertains to the court approved sales process;
- ▶ review information related to the operations and financial performance of the Business;
- ▶ review relevant financial market and industry information and conduct other analyses as are appropriate in the circumstances;
- ▶ advise on structural, marketing and pricing strategies;
- ▶ assist you with the identification of qualified prospective purchasers (as we work through this engagement, you agree to promptly discuss with and refer to us any prospective purchasers of which you become aware);
- ▶ assist you with the preparation of appropriate marketing documents, including the creation and population of a comprehensive virtual datasite, designed to allow prospective purchasers to evaluate the opportunity to acquire some or all of KMC's assets;
- ▶ present the marketing documents on your behalf to those parties that have signed a Confidentiality Agreement and maintain contact with prospective purchasers to encourage multiple qualified buyer interest in the Business;
- ▶ discuss with you the merits and issues regarding the Qualified Phase I Bid(s) received from prospective purchasers to assist in your evaluation and assessment of the offers and advise you regarding those purchasers qualified for further consideration based upon indicated bid price and other relevant bid factors;

- ▶ assist in the compilation of a data room to enable prospective purchasers to complete their due diligence in a controlled environment;
- ▶ assist you in the administration of the due diligence process, comprised of data room visits, physical inspections, meetings between management and prospective purchasers, and respond to due diligence inquiries from prospective purchasers and/or their financing sources;
- ▶ assist you and the Monitor in your negotiations with qualified prospective purchasers to formalize Qualified Phase II Bid(s) for the divestiture on terms satisfactory to you; and
- ▶ assist you, your legal advisors and the Monitor in the negotiation and documentation of any definitive agreements required to complete the transaction(s).

Some of the steps in the foregoing process may be altered or omitted based upon various circumstances including market response and as directed and approved by the Monitor and Court.

EY's role is to assist you by providing advice and experience. You retain complete and final control of all transaction decisions including: (i) approving the transaction strategy; (ii) approving prospective purchasers before they are contacted; (iii) approving specific information being disclosed to prospective purchasers including any marketing materials; (iv) selecting the best proposal, after our analysis and comparison; (v) approving the commencement of each phase of the divestiture process; (vi) agreeing to an agreement in principle; and (vii) agreeing to any definitive purchase and sale agreement. EY will not make any management decisions, perform any such function or act as your agent/advocate.

All marketing documents will be provided to you in draft form for review and approval prior to being finalized or distributed. EY will rely upon the accuracy and completeness of all information supplied by you without assuming any responsibility for independent investigation or verification of the information. You will be required to sign a letter of representation regarding the content of marketing documents prior to distribution.

As is typical in any transaction, the structure and nature of the project may change as discussions with potential purchasers progress. You acknowledge that this engagement has been undertaken on the basis that various structures may need to be considered in order to successfully complete a transaction.

EY has undertaken an inquiry of its available records to determine whether potential conflicts of interest might exist with respect to the performance of the services in respect of this matter. We do not believe that any conflict of interest exists which would prevent us from providing the services. However, the wide range of services provided by EY and other EY Firms for a large number of clients, as well as changing circumstances, mean that our systems cannot identify each and every potential conflict of interest. The parties agree that EY shall not be deemed to have a conflict of interest simply because EY or another EY Firm provides or has previously provided unrelated services to potential counterparties to this transaction.

## **Client contact**

We understand that our main points of contact in this matter shall be Dan Klemke, Andrea Bauer and Bryn Jones. We shall take instruction from such persons until advised otherwise.

## Compensation

In consideration of the foregoing, you shall pay to EY an hourly rate of \_\_\_\_\_ per hour for all hours incurred.

All fees are in Canadian dollars unless otherwise specified. Applicable taxes will be added to all fees.

## Expenses

In addition to the professional fees set out above, you agree to reimburse EY for its expenses as follows. Out-of-pocket costs such as travel, meals, accommodation, and other significant expenses will be charged as incurred, subject to the pre-approval of individual out-of-pocket expenses over \$2,000.

In addition, this transaction will make use of an electronic data room for the timely processing of due diligence. Those electronic data room expenses will be directly incurred by KMC.

Expenses shall be reimbursed irrespective of whether or not you complete the proposed divestitures or any part thereof.

Payment of EY's invoices is due upon receipt. Interest on overdue accounts accrues at 12% per annum starting 30 days following the date of our invoice. EY may suspend performance of the Services in the event you fail to pay our invoice.

## Termination

EY's engagement hereunder may be terminated at any time with or without cause by either you or EY upon ten days written notice thereof to the other party, provided, however, that in the event of any termination, EY will continue to be entitled to payment of the full amount of any fees outstanding as of the termination date, including for any time incurred by EY to bring its engagement to an appropriate close, and to retain any other rights arising from completion, if a transaction is consummated within eighteen (18) months of termination. Any termination of EY's engagement hereunder shall not affect your obligation to pay fees earned and expenses incurred prior to such termination.

## Publication

Appropriate reference shall be made to EY in any press releases and other media communications regarding the divestiture. Following completion of the divestiture, EY shall have the right to use your name and trade-mark and the Business name and trade-mark, as well as other public information on the divestiture, in promotional materials such as marketing tombstones.



## General Terms and Conditions

### Structure

1. These General Terms and Conditions, together with the letter to which they are attached and any other attachments to such letter, form the contractual structure for the provision of Services by EY to Client. For the purposes of this Agreement "party" means either EY or Client.
2. If there is any inconsistency between provisions in different parts of this Agreement, those parts shall have precedence as follows (unless expressly agreed otherwise): (a) the letter to which these General Terms and Conditions are attached (b) these General Terms and Conditions and (c) any other attachments to this Agreement.

### Definitions

3. Capitalized terms used but not otherwise defined herein shall have the meanings given to them in the letter to which these General Terms and Conditions are attached. The following terms are defined as specified below:
  - (a) "Client Affiliate" means an entity that controls, is controlled by, or is under common control with, Client.
  - (b) "Client Entity" means Client or a Client Affiliate.
  - (c) "Client Information" means information provided to EY or to other EY Firms by Client or by a third party on Client's behalf.
  - (d) "Deliverables" means any advice, communications, information, technology or other content that EY or other EY Firms provide under this Agreement.
  - (e) "EY Firm" means a member of the EY network and any entity operating under a common branding arrangement with a member of the EY network, each of which is a separate legal entity.
  - (f) "EY Persons" means EY's or any other EY Firm's subcontractors, members, shareholders, directors, officers, partners, principals or employees.
  - (g) "Internal Support Services" means internal support services utilized by EY, including but not limited to: (a) administrative support, (b) accounting and finance support, (c) network coordination, (d) IT functions including business applications, system management, and data security, storage and recovery, and (e) conflict

checking, auditor independence, risk management and quality reviews.

- (h) "Personal Data" means Client Information relating to identified or identifiable natural persons or that is otherwise considered to be "personal data," "personal information" or any similar term under applicable data protection laws.
- (i) "Report" means a Deliverable (or any portion of a Deliverable) issued on EY letterhead or under the EY brand or otherwise identifiable as being prepared by or in association with EY, any other EY Firm or EY Person.
- (j) "Support Providers" means external service providers of EY and other EY Firms and their respective subcontractors.
- (k) "Tax Advice" means tax matters, including tax advice, tax opinions, tax returns or the tax treatment or tax structure of any transaction to which the Services relate.

### Provision of the Services

4. EY will provide the Services using reasonable skill and care in accordance with applicable professional standards.
5. EY may subcontract portions of the Services to one or more EY Firms, as well as to other third parties, who may deal with Client directly. EY will remain solely responsible to Client for the performance of the Services.
6. EY will act as an independent contractor and not as Client's employee, agent or partner. Client will remain solely responsible for management decisions relating to the Services and for determining whether the Services are appropriate for its purposes. Client shall assign qualified personnel to oversee the Services as well as the use and implementation of the Services and Deliverables.
7. Client agrees to promptly provide to EY (or cause others to so provide) such information, resources and assistance (including access to records, systems, premises and people) that EY reasonably requires to perform the Services.
8. Client agrees that Client Information will be accurate and complete in all material respects. EY will rely on Client Information and, unless EY expressly agrees otherwise in writing, EY will have no responsibility to verify it. EY shall not be treated as having notice of information which may have been provided to EY

Firms or EY Persons who are not involved in relation to the provision of Services under this Agreement. Client confirms that the provision of Client Information (including Personal Data), resources and assistance to EY will be in accordance with applicable law and will not infringe any copyright or other third-party rights. Without limitation, Client shall obtain any consents required for EY to lawfully collect, use, or disclose Personal Data as contemplated by this Agreement.

#### Deliverables

9. All Deliverables are intended for Client's use in accordance with this Agreement.
10. Client may not rely on any draft Deliverable. EY shall not be required to update any Deliverable as a result of circumstances of which EY becomes aware, or events occurring, after its delivery.
11. Unless otherwise provided for in this Agreement, Client may not disclose a Report (or any portion or summary of a Report), or refer to EY or to any other EY Firm or EY Person in connection with the Services, except:
  - (a) to a Client Affiliate (subject to these disclosure restrictions);
  - (b) to Client's lawyers (subject to these disclosure restrictions), who may review it only in connection with legal advice relating to the Services;
  - (c) to the extent, and for the purposes, required by applicable law (and Client will promptly notify EY of such legal requirement to the extent Client is permitted to do so);
  - (d) to other persons (with EY's prior written consent), who may use it only as specified in such consent; or
  - (e) to the extent it contains Tax Advice.

If Client discloses a Report (or a portion thereof), Client shall not alter, edit or modify it from the form provided by EY. Client shall inform those to whom it discloses a Report (other than disclosure of Tax Advice to tax authorities) that they may not rely on it for any purpose without EY's prior written consent. Subject to the foregoing, Client is not prohibited by this Section 11 from using Deliverables that do not qualify as Reports in communication with third parties provided that: (i) there is no reference to, or communication of, EY's or any other EY Firm's involvement in the development of such Deliverables, and (ii) Client assumes sole responsibility for such use and communication.

#### Notice re: Québec

12. From time to time, EY may have individual partners and employees performing the Services who are members of the *Ordre des comptables professionnels agréés du Québec* (the "Québec Order"). Any individual member of the Québec Order who performs a contract in the practice of the chartered professional accountancy profession assumes full personal civil

liability arising therefrom, regardless of his or her status within EY. He or she may not invoke EY's liability as a ground for excluding or limiting his or her own personal liability for the practice of the chartered professional accountancy profession. The Sections that follow below under the heading "*Limitations*" shall not apply to limit the personal civil liability of individual members of the Québec Order arising from their practice of the chartered professional accountancy profession (and to such extent, shall be deemed to not be included in this Agreement).

#### Limitations

13. Notwithstanding any other terms of this Agreement, as part of the parties' arrangements, the parties have mutually agreed upon the following limitations of liability (which also apply to others for whom Services are provided under this Agreement):
  - (a) Neither party will be responsible, in common law, equity, contract, tort (including negligence), under statute or otherwise, for any amount with respect to loss of revenue, profit, data or goodwill, or any consequential, incidental, indirect, exemplary, punitive or special damages in connection with claims arising out of or relating to this Agreement or the Services, whether or not the likelihood of such loss or damage was contemplated by either party.
  - (b) EY's total aggregate liability to Client (and any others for whom Services are provided) arising out of or relating to this Agreement and the Services shall be limited. EY's liability shall be limited to the fees paid for the Services directly giving rise to liability, during the twelve months preceding the last event giving rise to liability. This limitation applies regardless of whether EY's liability arises under common law, equity, contract, tort (including negligence), statute or otherwise and is an aggregate cap across all claims.
  - (c) Subject always to Sections 13(a) and 13(b) above, if EY is liable to Client (or to any others for whom Services are provided) under this Agreement or otherwise in connection with the Services, for loss or damage to which any non-EY persons have also contributed (including but not limited to Client's contributory negligence and irrespective of whether any such non-EY persons are a party to any legal proceedings in connection with this Agreement or the Services), EY's liability to Client shall be several, and not joint and several, solidary or *in solidum*, with such others, and EY's liability shall be limited to EY's proportionate share of that total loss or damage, based on EY's contribution to the loss and damage relative to the others' contributions. No waiver of, exclusion or limitation on the liability of other responsible persons imposed or agreed at any time shall affect any assessment of EY's proportionate liability hereunder, nor shall settlement of or difficulty enforcing any claim, or the death, dissolution or insolvency of any such other responsible persons or their ceasing to be

liable for the loss or damage or any portion thereof, affect any such assessment.

- (d) Client shall make any claim arising out of or relating to this Agreement or the Services no later than one year after Client became aware (or ought reasonably to have become aware) of the facts giving rise to any alleged claim and in any event, no later than two years after the completion of the particular Services.
14. The limitations set out in Sections 13 (a) to (d) above will not apply to losses or damages caused by EY's fraud or willful misconduct or to the extent prohibited by applicable law or professional regulations.
15. Client (and any others for whom Services are provided under this Agreement) may not make a claim or bring proceedings relating to the Services or otherwise under this Agreement against any other EY Firm or EY Person. Client shall make any claim or bring proceedings only against EY.

#### **No Responsibility to Third Parties**

16. Unless specifically otherwise agreed with Client in writing, EY's responsibility for performance of the Services is to Client and Client alone. Should any Deliverable be disclosed, or otherwise made available, by or through Client (or at Client's request) to any third parties (including disclosures to Client Affiliates and other third parties permitted under Section 11), Client agrees to indemnify and hold harmless EY, the other EY Firms and the EY Persons from and against all claims by such third parties and all resulting liabilities, losses, damages, costs and expenses (including reasonable external and internal legal costs) arising out of such disclosure.

#### **Intellectual Property Rights**

17. Each party retains its rights in its pre-existing intellectual property. Except as set out in this Agreement, any intellectual property developed by EY, and any working papers compiled in connection with the Services (but not Client Information contained in them), shall be the property of EY.
18. Client's right to use Deliverables under this Agreement arises following payment for the Services.

#### **Confidentiality, Data Protection & Security**

19. Except as otherwise permitted by this Agreement, neither party may disclose to third parties any information (other than Tax Advice) provided by or on behalf of the other that ought reasonably to be treated as confidential (including Client Information and EY pricing information). Either party may, however, disclose such information to the extent that it:
- (a) is or becomes public other than through a breach of this Agreement;
- (b) is subsequently received by the recipient from a third party who, to the recipient's knowledge, owes no obligation of confidentiality to the disclosing party with respect to that information;

(c) was known to the recipient at the time of disclosure or is thereafter created independently;

(d) is disclosed as necessary to enforce the recipient's rights under this Agreement; or

(e) must be disclosed under applicable law, legal process or professional regulations.

20. EY uses other EY Firms, EY Persons and Support Providers who may have access to Client Information in connection with delivery of Services as well as to provide Internal Support Services. EY shall be responsible for any use or disclosure of Client Information by other EY Firms, EY Persons or Support Providers to the same extent as if EY had engaged in the conduct itself.
21. Client agrees that Client Information, including Personal Data, may be processed by EY, other EY Firms, EY Persons and their Support Providers in various jurisdictions in which they operate (EY office locations are listed at [www.ey.com](http://www.ey.com)). Client Information, including any Personal Data, will be processed in accordance with laws and professional regulations applicable to EY, and appropriate technical and organizational security measures designed to protect such information will be implemented. EY will also require any Support Provider that processes Personal Data on its behalf to provide at least the same level of protection for such Personal Data as is required by such legal and regulatory requirements. Transfer of Personal Data among members of the EY network is subject to the EY Binding Corporate Rules Program, available at [www.ey.com/bcr](http://www.ey.com/bcr). Further information about EY's processing of Personal Data is available at [www.ey.com/privacy](http://www.ey.com/privacy).
22. As a professional services firm, EY is required to exercise its own judgment in determining the purposes and means of processing any Personal Data when providing the Services. Accordingly, unless otherwise specified in this Agreement, when processing Personal Data subject to the General Data Protection Regulation or other applicable data protection laws, EY acts as an independent controller (or similar status that determines the purposes and means of processing), and not as a processor under Client's control (or similar status acting on behalf of Client) or as a joint controller with Client. For Services where EY acts as a processor processing Personal Data on Client's behalf, the parties will agree to appropriate data processing terms elsewhere in this Agreement.
23. EY and other EY Firms may retain and use Client Information for benchmarking, analytics, research and development, thought leadership and related purposes, and to enhance their services, provided that any use does not externally identify, or make reference to, Client. In all such matters, EY and other EY Firms will comply with applicable law and professional obligations.
24. If Client requires EY to access or use Client or third-party systems or devices, EY shall have no responsibility for the confidentiality, security or data

protection controls of such systems or devices or for their performance or compliance with Client requirements or applicable law.

25. EY may provide Client access to use certain data, software, designs, utilities, tools, models, systems and other methodologies and know-how that EY owns or licenses for the purpose of Client's receipt of the Services or as otherwise expressly agreed in writing by EY ("EY Tools"). Client shall be responsible for compliance by all Client personnel and third parties acting on Client's behalf with the terms applicable to the use of such EY Tools. As between EY and Client, EY (or another EY Firm) owns all right, title, interest, and all intellectual property rights in and to the EY Tools, including any enhancements, modifications, and derivative work thereof.

*License to EY Tools During the Term:* To the extent that EY provides Client access to any EY Tools during the term of this Agreement, and subject to Client's compliance with the terms of this Agreement (including payment), EY hereby grants to Client a nonexclusive, non-transferable, paid-up, internal license, during the term of this Agreement, to use, execute, and display the EY Tools, for the sole purpose of Client's receipt of the Services from EY under this Agreement.

*License to EY Tools After the Term:* EY may allow Client to use certain EY Tools, after the term of this Agreement. Any EY Tools that EY allows Client to use after the term of this Agreement will be identified elsewhere in this Agreement as a "Leave Behind EY Tool." With respect to such an identified Leave Behind EY Tool, to the extent permitted by applicable law and professional regulations, and subject to Client's compliance with the terms of this Agreement (including payment), EY hereby grants to Client a nonexclusive, non-transferable, paid-up, internal license, to use, execute, and display the Leave Behind EY Tool, after the term of this Agreement, for the sole purpose of Client's internal use and receipt of the benefit of the Services provided by EY under this Agreement.

*EY Tools Disclaimers and Acknowledgments:* Client's use of any EY Tools may be subject to additional terms, which EY will provide to Client in writing. Client acknowledges that EY may at any time, modify, replace, direct Client to discontinue use of any EY Tools, or otherwise revoke, limit or condition Client's access and right to use any EY Tools. ALL EY TOOLS ARE PROVIDED "AS IS" AND WITHOUT ANY WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF TITLE, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR USE, OR ANY WARRANTY THAT THE OPERATION OF EY TOOLS WILL BE UNINTERRUPTED OR ERROR FREE OR THAT EY TOOLS WILL BE OR REMAIN COMPATIBLE WITH ANY OF CLIENT'S HARDWARE OR SOFTWARE. IN NO EVENT SHALL EY BE LIABLE FOR LOSS OF OR DAMAGE TO

CLIENT'S DATA RESULTING FROM THE CLIENT'S USE OF THE EY TOOLS. Client shall not decompile, disassemble or otherwise reverse engineer the EY Tools, unless authorized by law or the relevant regulatory agency. Client shall not sell, lease, assign or otherwise transfer any portion of the EY Tools.

#### **Compliance**

26. In connection with the performance of its respective rights and obligations under this Agreement, EY and Client each will comply with all laws and regulations of any jurisdiction applicable to it from time to time concerning or relating to bribery or corruption.

#### **Fees and Expenses Generally**

27. Client shall pay EY's professional fees and specific expenses in connection with the Services as detailed in this Agreement. Client shall also reimburse EY for other reasonable expenses incurred in performing the Services. EY's fees are exclusive of taxes or similar charges, as well as customs, duties or tariffs imposed in respect of the Services, all of which Client shall pay (other than taxes imposed on EY's income generally). Unless otherwise set forth in this Agreement, payment is due upon receipt.
28. EY may charge additional professional fees if events beyond its control (including Client's acts or omissions) affect EY's ability to perform the Services as agreed in this Agreement, or if Client asks EY to perform additional tasks.
29. EY reserves the right to increase its hourly rates or fees at any time, to account for increases in costs and changing market conditions. Any increases shall happen no more than once per calendar year, following at least 30 days advance written notice to Client.
30. If EY is required by applicable law, legal process or government action to produce information or personnel as witnesses with respect to the Services or this Agreement, Client shall reimburse EY for any professional time and expenses (including reasonable external and internal legal costs) incurred to respond to the request, unless EY is a party to the proceeding or the subject of the investigation.

#### **Force Majeure**

31. Neither party shall be liable for breach of this Agreement (other than payment obligations) caused by circumstances beyond such party's reasonable control.

#### **Term and Termination**

32. This Agreement applies to all Services associated with this Agreement whenever performed (including before the date of this Agreement).
33. This Agreement shall terminate on the completion of the Services. Except as otherwise set forth in this Agreement, either party may terminate this Agreement, or any particular Services, upon 30 days' prior written notice to the other. In addition, EY may terminate this Agreement, or any particular Services,

immediately upon written notice to Client if EY reasonably determines that it can no longer provide the Services in accordance with applicable law or professional obligations.

34. Client shall pay EY for all work-in-progress, Services already performed, and expenses incurred by EY up to and including the effective date of the termination or expiration of this Agreement, as well as any applicable termination fees set forth in this Agreement. Payment of EY's invoices is due upon receipt.
35. The provisions of this Agreement that by their nature operate beyond the term of this Agreement shall survive termination and the completion of Services (including limitations of liability, indemnities and provisions governing Deliverables and Reports).

#### **Governing Law and Dispute Resolution**

36. This Agreement and any non-contractual matters or obligations arising out of or relating to this Agreement or the Services, shall be governed by, and construed in accordance with, the laws of the Province of Alberta and the laws of Canada applicable therein, without regard to conflict of law principles.
37. Any dispute, claim or other matter arising out of or relating to this Agreement or the Services shall be subject to the exclusive jurisdiction of the courts of the Province of Alberta, to which each party agrees to submit for these purposes.

#### **Miscellaneous**

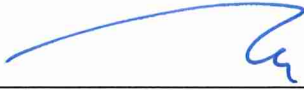
38. This Agreement constitutes the entire agreement between the parties as to the Services and the other matters it covers, and supersedes all prior agreements, understandings and representations with respect thereto, including any previously agreed confidentiality agreements.
39. Each party may execute this Agreement, as well as any modifications to it, by electronic means, and each party may sign a different copy of the same document. This Agreement may not be modified except as mutually agreed in writing.
40. Client agrees that EY and the other EY Firms may, subject to professional obligations, act for other clients, including Client's competitors.
41. Neither party shall assign or novate any of its rights or obligations under this Agreement in whole or in part without the prior written consent of the other party; provided, however, that EY may assign or novate any of its rights and obligations under this Agreement to (i) any other EY Firm and/or (ii) any entity resulting from, or established as part of, a restructuring, sale or transfer of an EY Firm, in whole or in part, provided further that any such assignment or novation does not materially affect the continuity of the Services. EY shall provide Client with notice of any such assignment or novation.
42. Any portion of this Agreement that is found to be illegal, invalid or otherwise unenforceable shall be severed to the minimum extent required and the

remainder of the Agreement shall remain in full force and effect.

43. Client acknowledges that the U.S. Securities and Exchange Commission regulations indicate that, where auditor independence is required, certain confidentiality restrictions related to tax structure may render the auditor to be deemed to be non-independent or may require specific tax disclosures. Accordingly, if and only to the extent that U.S. Securities and Exchange Commission auditor independence regulations apply to the relationship between Client or any of Client's associated entities and any EY Firm, with respect to the tax treatment or tax structure of any transaction to which the Services relate, Client represents, to the best of its knowledge, as of the date of this Agreement, that neither Client nor any Client Affiliate has agreed, either orally or in writing, with any other advisor to restrict Client's ability to disclose to anyone such tax treatment or tax structure. Client agrees that the impact of any such agreement is its responsibility.
44. EY and Client acknowledge that Client or a Client Affiliate (the "Local Client") may seek to enter into an agreement with another EY Firm (the "Local EY Firm") for the provision of services in another country (the "Local Services"). The parties agree that the Local Client and the Local EY Firm may enter into a local country agreement (the "Local Agreement") for Local Services that incorporates the terms and conditions of this Agreement, subject to any modifications they deem appropriate under local law, regulation, professional standard, or local custom and practice. For clarity, in such event, (i) the Local Agreement shall govern all Local Services; and (ii) neither the Local Client nor the Local EY Firm will be deemed to be parties to this Agreement in connection with the Local Services.
45. Client represents and warrants that any Client Affiliates for whom Services are performed in connection with this Agreement shall be bound by the terms and conditions of this Agreement.
46. Neither party may use or reference the other's name, logos or trademarks without its prior written consent, provided that EY may use Client's name publicly to identify Client as a client in connection with specific Services or otherwise.
47. The limitations in Sections 13 and 15 and the provisions of Sections 16, 21, 23 and 40 are intended to benefit the other EY Firms and all EY Persons, who shall be entitled to rely upon and enforce them.
48. Where Client has engaged the Canadian firm of Ernst & Young LLP, please note the following. Ernst & Young LLP is a registered limited liability partnership ("LLP") continued under the laws of the province of Ontario and registered as an extra-provincial LLP in Quebec and other Canadian provinces. Generally, an LLP partner is not personally liable for the debts, obligations or liabilities of the LLP arising from the negligence of persons not under his or her direct supervision (including other LLP partners) or most other debts or obligations of the LLP. As an LLP, EY

is required to maintain certain insurance. EY's insurance exceeds the mandatory professional liability insurance requirements established by any provincial CPA body.

This is **Exhibit "O"** referred to in the Affidavit  
of BRYN JONES sworn before me  
on the **31<sup>st</sup>** day of December, 2024.



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A Commissioner for Oaths in and for  
the Province of Alberta

**Roscoe Gee**  
**Student-At-Law**

## SALES AND INVESTMENT SOLICITATION PROCESS

### Introduction

- 1) On December 5, 2024, KMC Mining Corporation ("**KMC**") filed a Notice of Intention to Make a Proposal ("**NOI**") under the provisions of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. 27 (as amended) ("**BIA**") which proceedings were subsequently taken up and continued under the provisions of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 ("**CCAA**") pursuant to an Order of the Alberta Court of King's Bench (the "**Court**") as amended and restated from time to time (the "**Initial Order**") on January 10, 2025 (the "**CCAA Proceedings**"). Further documents with respect to the CCAA Proceedings are available on the Monitor's website at <http://cfcanada.fticonsulting.com/kmcmining/>.
- 2) The Initial Order, among other things:
  - a) stayed all proceedings against KMC and their assets; and
  - b) appointed FTI Consulting Canada Inc. as the Monitor of KMC (in such capacity the "**Monitor**").
- 3) Further to KMC's restructuring efforts, KMC will, under the supervision of the Monitor and with the assistance of Ernst & Young Orenda Corporate Finance Inc. (the "**Sales Agent**"), and to the extent described herein, conduct a Sales and Investment Solicitation Process described herein (the "**SISP**") as approved by the Court pursuant to an Order obtained on January 10, 2025 (the "**SISP Order**"). KMC intends to provide all qualified interested parties with an opportunity to participate in the SISP.
- 4) Set forth below are the procedures (the "**SISP Procedures**") to be followed with respect to the SISP to be undertaken to seek a Successful Bid(s) (as defined below), and if there are Successful Bid(s), to complete the transaction(s) contemplated by the Successful Bid(s). The SISP Procedures will be posted to the Monitor's website and the Data Room.

### Defined Terms

- 5) All capitalized terms used but not otherwise defined herein shall have the meanings given to them in the Initial Order. In addition, capitalized terms used but not otherwise defined in the SISP Procedures shall have the following meanings:

"**Business**" means the business carried on by KMC;

"**Business Day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the City of Edmonton, Alberta, Canada;

"**Property**" means the undertaking, property and assets of KMC or any portion thereof.



### **Solicitation Process and Timeline**

- 6) The SISP is intended to solicit interest in, and opportunities for: (i) a sale, or partial sale, of all, substantially all, or certain amounts, of the Property or Business, whether through an asset purchase, share purchase or combination thereof; or (ii) for a restructuring, recapitalization, reorganization or refinancing of the KMC or its Business, or a combination thereof (the “**Opportunity**”).
- 7) The SISP Procedures set forth herein describe the manner in which prospective bidders may gain access to or continue to have access to due diligence materials concerning KMC, its Business and its Property, the manner in which any bid becomes a Qualified Phase I Bid or a Qualified Phase II Bid (each as defined below), the receipt and negotiation of bids received, the ultimate selection of a Successful Bid, if any, and the approval thereof by the Court.
- 8) The Sales Agent shall implement these SISP Procedures. If there is disagreement as to the interpretation of these SISP Procedures, the Court will have jurisdiction to hear and resolve any such dispute.
- 9) The following table sets out the key milestones under this SISP, subject to extension by the Sales Agent with approval of the Monitor pursuant to and in accordance with these SISP Procedures:

<b>Milestone</b>	<b>Deadline</b>
Marketing Material Completed	January 13, 2025
Marketing Period Launched	January 15, 2025
Virtual Data Room Open	January 17, 2025
Qualified Phase I Bid Deadline	February 28, 2025
Final Form of APA to be provided to Qualified Phase I Bidders	March 3, 2025
Proposal Evaluation/Due Diligence/Negotiation Period	March 1 to 24, 2025
Deadline to Submit Phase II Bid	March 28, 2025
Court Approval	April 2025

### **Solicitation of Interest: Notice of the Sale Process**

- 10) As soon as reasonably practicable, but, in any event, by no later than two (2) days from the SISP Order:
  - a) the Sales Agent, in consultation with the Monitor and KMC, will prepare a list of Potential Bidders, including (i) parties that have approached KMC, the Monitor, or the Sales Agent indicating an interest in the Opportunity; and (ii) strategic and financial parties who the

Sales Agent, in consultation with the Monitor, believe may be interested in purchasing all or part of the Business or Assets pursuant to the Sale Process (collectively, the "**Known Potential Bidders**"); and

- b) the Sales Agent, with KMC and in consultation with the Monitor, will prepare: (i) a process summary (the "**Teaser Letter**") describing the Opportunity, outlining the procedures under the SISP and inviting recipients of the Teaser Letter to express their interest pursuant to the SISP; and (ii) a non-disclosure agreement in form and substance satisfactory to the Sales Agent, Monitor and KMC and their respective counsel which shall inure to the benefit of any purchaser of the Business or any of the Property (an "**NDA**").
- 11) The Sales Agent will cause the Teaser Letter and the NDA to be sent to each Known Potential Bidder by no later than two (2) business days from the SISP Order and to any other party who requests a copy of the Teaser Letter and NDA and who is identified to the Sales Agent as a Potential Bidder as soon as reasonably practicable after such request or identification, as applicable.
- 12) The Monitor will post information respecting the Opportunity on its website maintained for the CCAA Proceedings. The Sales Agent will also issue a press release setting out relevant information from such notice with Canada Newswire designating dissemination in Canada and major financial centers in the United States. The Sales Agent will also undertake such further and other advertising in industry relevant publications as it sees fit.
- 13) In order to participate in the SISP, each person (a "**Potential Bidder**") must deliver to the Sales Agent at the addresses specified in **Exhibit "A"** (including by email) hereto an executed NDA, following which the Potential Bidder shall receive access to the electronic data room containing confidential information concerning the Business and Property (the "**Data Room**") with respect to the Business or Property which the Potential Bidder is interested in. For greater certainty, no Potential Bidder shall receive Data Room access or any confidential information relating to the Business or the Property unless and until an executed NDA is delivered to the Sales Agent.

### Phase I

- 14) All Potential Bidders that are parties to an NDA with KMC and the Sales Agent in accordance with these SISP Procedures shall be deemed to be a qualified Phase I bidder (a "**Qualified Phase I Bidder**") and will be promptly notified of such classification by the Sales Agent.
- 15) As noted, each Qualified Phase I Bidder shall be provided with access to the Data Room and, if requested by the Qualified Phase I Bidder and deemed appropriate by the Sales Agent, a management presentation, together with such further information as the Sales Agent may deem appropriate. Neither the Sales Agent, the Monitor or KMC make any representations or warranties as to the accuracy or completeness of any information furnished pursuant to these SISP Procedures including, without limitation, the information contained in the Teaser or in the Data Room.
- 16) A Phase I Bid will be deemed to be a "**Qualified Phase I Bid**" only if the Phase I Bid complies with all of the following:

- a) it includes a term sheet describing the terms and conditions of the proposed transaction, including identification of: (i) the Business or Property proposed to be acquired; (ii) the liabilities of KMC proposed to be assumed; (iii) the purchase price for the Business or Property proposed to be acquired expressed in Canadian or United States dollars (the "**Purchase Price**"); (iv) the effective date of the proposed transaction; and (v) the structure and financing of the proposed transaction;
  - b) it is not subject to a financing condition and it includes written evidence of the financial ability to consummate the proposed transaction that will allow the Sales Agent to make a reasonable determination as to the Qualified Phase I Bidder's financial and other capabilities to consummate the transaction contemplated by its Phase I Bid;
  - c) it contains a description of the conditions precedent and approvals required for a final and binding offer, including, without limitation, any anticipated corporate, security holder, internal or regulatory approvals required to close the transaction, an estimate of the anticipated time frame and any anticipated impediments for obtaining such approvals;
  - d) it contains an outline of any additional due diligence required to be conducted by the Qualified Phase I Bidder in order to submit a final and binding offer;
  - e) it fully discloses the identity of each person (including any person that controls such person) that will be directly or indirectly sponsoring or participating in the bid and the complete terms of any such participation;
  - f) it does not include any request for or entitlement to any break or termination fee, expense reimbursement or similar type of payment;
  - g) it contains such other information as may reasonably be requested by the Sales Agent; and
  - h) it is received by the Phase I Bid Deadline.
- 17) The Sales Agent, in consultation with KMC and the Monitor, will assess the Phase I Bids received by the Phase I Bid Deadline and determine which bids constitute Qualified Phase I Bids. The Sales Agent in consultation with the Monitor may, in its sole discretion, waive compliance with any one or more of the requirements specified herein and deem such non-compliant bids to be Qualified Phase I Bids.
- 18) The Sales Agent may, in consultation with KMC and the Monitor, reject any Phase I Bid if it determines that such bid does not constitute a Qualified Phase I Bid, is otherwise inadequate or insufficient, or is otherwise contrary to the best interests of the estates of KMC, or any of its creditors or other stakeholders.
- 19) To the extent that a Phase I Bid is so determined by the Sales Agent to be a Qualified Phase I Bid, the corresponding Qualified Phase I Bidder (any such bidder, a "**Phase II Bidder**") shall be permitted to proceed to Phase II of the SISP. The Sales Agent shall notify each Qualified Phase I Bidder as to whether or not such person has been determined to be a Phase II Bidder.

## Phase II

- 20) The Sales Agent shall allow each Phase II Bidder such further access to confirmatory due diligence materials as the Sales Agent deems appropriate in its reasonable business judgment including scheduling set dates and times to facilitate inspections of the Property where the property may be situated but subject to competitive and other business considerations.
- 21) Phase II of the SISP will be limited to those persons that were identified by the Sales Agent as a Phase II Bidder. Subject to the discretion of the Monitor, and in consultation with KMC and the Sales Agent, all acting reasonably, no person shall be permitted to participate in Phase II of the SISP without having participated in Phase I of the SISP and who were designated as a Phase II Bidder in accordance herewith.
- 22) A Phase II Bidder that wishes to make a formal offer to purchase the Business or Property shall submit a binding offer (a "**Phase II Bid**") and a copy of the purchase and sale agreement that they are prepared to sign ("**Definitive Agreement**") to the Sales Agent and KMC at the addresses specified in **Exhibit "A"** hereto so as to be received by each of them no later than 12:00 p.m. (Mountain Time) on March 28, 2025 or such other date or time as may be agreed to by the Sales Agent, acting in its sole discretion (the "**Phase II Bid Deadline**"). Such Phase II Bid shall be a "**Qualified Phase II Bid**" and such Phase II Bidder shall be a "**Qualified Phase II Bidder**" only if its Phase II Bid complies with all of the following:
- a) it complies with all of the requirements in respect of Qualified Phase I Bids, other than the requirements set out in Paragraphs 16(c), 16(d), and 16(h);
  - b) it clearly identifies the form of consideration being proposed to satisfy the Purchase Price and estimated value of the consideration in Canadian or United States dollars. The Sales Agent's preference is for cash consideration, provided that the Sales Agent will consider securities or other forms of consideration;
  - c) it includes a letter stating that its Phase II Bid is irrevocable until the earlier of: (i) the approval of a Successful Bid (as defined herein) by the Court in accordance with these SISP Procedures; and (ii) thirty (30) calendar days following the Phase II Bid Deadline, provided that if such Qualified Phase II Bidder is selected as the Successful Bidder, its offer shall remain irrevocable until the closing of the transaction with the Successful Bidder;
  - d) it includes written evidence of a firm irrevocable commitment for all required financing, or other evidence of the financial ability of such Qualified Phase II Bidder (including, for greater certainty, such Qualified Phase II Bidder's designated purchaser(s), if any) to consummate the proposed transaction, that will allow the Sales Agent to make a reasonable determination as to the Qualified Phase II Bidder's financial and other capabilities to consummate the transaction contemplated by its bid;
  - e) it is not conditioned on: (i) the outcome of unperformed due diligence; and/or (ii) obtaining financing;
  - f) it includes an acknowledgement and representation that the Qualified Phase II Bidder: (i) has relied solely upon its own independent review, investigation and/or inspection of any

documents, information and/or the Business or Property to be acquired and liabilities to be assumed in making its bid; (ii) did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied (by operation of law or otherwise), regarding the Business or Property to be acquired or liabilities to be assumed or the completeness of any information provided in connection therewith, except as expressly provided in a Definitive Agreement; and (iii) the transaction will be completed on an “as is, where is” basis;

- g) it includes evidence, in form and substance reasonably satisfactory to the Sales Agent, of authorization and approval from the Qualified Phase II Bidder’s board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the transaction contemplated by the Phase II Bid, and identifies any anticipated shareholder, regulatory or other approvals outstanding, and the anticipated time frame and any anticipated impediments for obtaining such approvals;
  - h) it is accompanied by a refundable deposit (a “**Deposit**”) in the form of a wire transfer (to a bank account specified by the Sales Agent), or such other form acceptable to the Sales Agent, payable to the order of the Sales Agent, in trust, in an amount equal to ten percent (10%) of that total consideration set out in its Phase II Bid;
  - i) the Phase II Bid includes an executed Definitive Agreement, including all exhibits and schedules contemplated thereby (other than exhibits and schedules that by their nature must be prepared by the Sales Agent), together with a blackline against the draft form of Definitive Agreement which will be prepared by the Sales Agent and posted in the Data Room;
  - j) it does not include any request for or entitlement to any break or termination fee, expense reimbursement or similar type of payment; and
  - k) it contains such other information as may reasonably be requested by the Sales Agent.
- 23) The Sales Agent, in consultation with KMC and the Monitor, will assess the Phase II Bids received by the Phase II Bid Deadline and determine which of the bids constitute Qualified Phase II Bids. The Sales Agent in consultation with the Monitor, may, in its sole discretion, waive compliance with any one or more of the requirements specified herein and deem such non-compliant bids to be Qualified Phase II Bids. The Sales Agent may, where it is considered appropriate in its discretion, continue negotiations with one or more Qualified Phase II Bidders to agree on terms of Successful Bids.
- 24) The Sales Agent may, in consultation with KMC and the Monitor, reject any Phase II Bid if it determines that such bid does not constitute a Qualified Phase II Bid, is otherwise inadequate or insufficient, or is otherwise contrary to the best interests of the estates of the Company, or any of its creditors or other stakeholders.
- 25) The Sales Agent, in consultation with KMC and the Monitor, shall select the winning bid or bids (collectively, the “**Successful Bids**”, and the corresponding bidder(s), collectively, the “**Successful Bidders**”).
- 26) The Sales Agent will notify Qualified Phase II Bidders if not selected as among the Successful Bidders.

### **Court Approval**

- 27) KMC shall apply to the Court (the “**Approval Application**”) for an order approving the Successful Bids and authorizing KMC to enter into any and all necessary agreements with respect to the Successful Bids, as well as an order vesting title to the Business or Property in the name of the Successful Bidders.
- 28) The Approval Application will be held on a date to be scheduled by the Court upon application by KMC. The Approval Application may be adjourned or rescheduled by KMC, in its sole discretion, without further notice.
- 29) All Qualified Phase II Bids (other than Successful Bids) shall be deemed rejected on and as of the date of approval of the Successful Bids by the Court.

### **Deposits**

- 30) All Deposits shall be retained by the Sales Agent (or as otherwise directed by the Monitor in consultation with KMC and the Sales Agent) and deposited in a trust account. The Deposits paid by the Successful Bidders whose bids are approved at the Approval Application shall be applied to the Purchase Price to be paid or investment amount to be made by the Successful Bidders upon closing of the approved transaction. All Deposits will be non-refundable unless Court approval of any bid is declined. The Deposits of Phase II Bidders not selected as Successful Bidders shall be returned to such bidders within five (5) Business Days of the date upon which the Successful Bids are approved by the Court. If there are no Successful Bids, then all Deposits shall be returned to the Phase II bidders within five (5) Business Days of the date upon which the SISP is terminated in accordance with these SISP Procedures.

### **No Amendment**

- 31) There shall be no amendments to the SISP Procedures, including for greater certainty, the process and procedures set out herein, without the written consent of the Sales Agent in consultation with the Monitor and KMC.

### **“As Is, Where Is”**

- 32) Any sale of the Business or Property will be on an “as is, where is” basis and without surviving representations or warranties of any kind, nature, or description by the Sales Agent, KMC or the Monitor or any of their respective affiliates, advisors, agents or representatives, except to the extent otherwise provided under a Definitive Agreement with a Successful Bidder executed and delivered by KMC. Neither the Sales Agent, the Monitor or KMC, nor any of their respective affiliates, advisors, agents or representatives make any representation or warranty as to the accuracy or completeness of any information furnished pursuant to these SISP Procedures, including, without limitation, information contained in the Teaser or in the Data Room, except to the extent otherwise provided under a Definitive Agreement with a Successful Bidder executed and delivered by KMC.

**Free of Any and All Claims and Interests**

33) In the event of a sale of the Business or the Property, to the extent permitted by law and the Court, all of the rights, title and interests of the Company in and to the Business or the Property to be acquired will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options and interests on or against the Property (collectively, the “**Claims and Interests**”). Such Claims and Interests shall attach only to the net proceeds of the sale of such Property (without prejudice to any claims or causes of action regarding the priority, validity or enforceability thereof), except to the extent otherwise set forth in a Definitive Agreement with a Successful Bidder and as permitted by applicable law.

**No Obligation to Conclude a Transaction**

34) KMC has no obligation to agree to conclude a sale or investment arising out of this SISP, and it reserves the right and unfettered discretion to reject any offer or other proposal made in connection with this SISP. In addition, at any time during this SISP, the Sales Agent, in consultation with the Monitor and KMC, may determine to amend, modify or terminate these SISP Procedures in whole or in part in respect of all or a part of the Property or Business, and shall provide notice of such a decision to all Qualified Phase I Bidders or Qualified Phase II Bidders, as applicable.

**Pre-Emptive Sales**

35) Nothing within this SISP limits KMC’s ability to enter into a Pre-Emptive Sale as defined within the SISP Order.

**Further Orders**

36) At any time during this SISP, KMC or the Monitor may apply to the Court for advice and directions with respect to the discharge of the Sales Agent’s powers and duties hereunder.

**Exhibit "A"****Sales Agent Contact Information**

Ernst & Young Orenda Corporate Finance Inc.  
2200, 215 2<sup>nd</sup> Street SW  
Calgary, AB T2P 1M4

Attn: Barry Munro / Alix Paris / Rhys Jones  
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