



No. S-238572  
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

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

**AND**

**IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF  
MYRA FALLS MINE LTD.**

**PETITIONER**

**FIFTH REPORT OF THE MONITOR**

**October 25, 2024**

# FIFTH REPORT OF THE MONITOR

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## INTRODUCTION

1. On December 18, 2023, Myra Falls Mine Ltd. (“**MFM**” or the “**Petitioner**”) was granted an initial order (the “**Initial Order**”) under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) in the Supreme Court of British Columbia Action No. S-238572, Vancouver Registry (the “**CCAA Proceedings**”).
2. The Initial Order provides for, among other things:
  - a. a stay of proceedings against the Petitioner (the “**Stay of Proceedings**”) until December 28, 2023;
  - b. the appointment of FTI Consulting Canada Inc. as Monitor of the Petitioner (the “**Monitor**”);
  - c. the approval of an interim financing facility to be advanced by Trafigura US Inc. (the “**Interim Lender**”) in an amount not to exceed \$4.0 million as an initial advance;
  - d. certain priority charges against the property of the Petitioner (the “**Court-Ordered Charges**”); and
  - e. the authorization for MFM to pay two additional weeks of wages or salaries to terminated or temporarily laid off employees on the pay cycle following their termination or temporary layoff.
3. On December 28, 2023, the Petitioner was granted an amended and restated initial order (the “**ARIO**”), which, among other things:
  - a. extended the Stay of Proceedings to February 29, 2024;
  - b. increased the amounts of the Court-Ordered Charges;

- c. granted the Court-Ordered Charges priority ahead of secured creditors pursuant to ss. 11.2(2), 11.51(2) and 11.52(2) of the CCAA;
  - d. authorized the Petitioner to borrow up to \$21.0 million from the Interim Lender, being the full principal amount available under the interim financing facility (the “**DIP Facility**”), together with a corresponding increase in the amount of the charge securing the DIP Facility (the “**Interim Lender’s Charge**”); and
  - e. authorized the Petitioner to make certain payments, at its discretion, to terminated or temporarily laid off employees of a further six weeks of salary or wages.
4. On February 27, 2024, this Honourable Court granted an order (the “**SISP Order**”) which, among other things:
- a. approved the engagement of FTI Capital Advisors – Canada ULC (the “**Financial Advisor**”) as MFM’s financial advisor in connection with the SISP;
  - b. approved a sale and investment solicitation process (the “**SISP**”);
  - c. declared that the Monitor, Financial Advisor and the Petitioner and their respective affiliates, partners, directors, employees, advisors, agents, shareholders and controlling persons shall have no liability with respect to any and all losses, claims, damages or liability in connection with or as a result of the SISP except to the extent such losses, claims, damages or liabilities result from their gross negligence or willful misconduct;
  - d. amended the ARIO to make the Financial Advisor a beneficiary of the Administration Charge; and
  - e. extended the Stay of Proceedings to June 30, 2024.
5. On June 28, 2024, this Honourable Court granted an order which, among other things:

- a. approved a Key Employment Retention Plan;
  - b. authorized MFM to borrow up to an aggregate amount of \$26.5 million under the DIP Facility and amending and increasing the amount of Interim Lender's Charge to the same amount; and
  - c. extended the Stay of Proceedings to August 2, 2024.
6. On August 2, 2024, this Honourable Court granted the following:
- a. an order which, among other things:
    - i. extended the Stay of Proceedings to October 31, 2024;
    - ii. authorized the Company to enter into a financing agreement with CAFO Inc. ("CAFO") with respect to the financing by CAFO of the premium payable by MFM in relation to its property insurance policy, and granting CAFO a first-ranking priority Court-Ordered charge to the unearned premium of such insurance policy; and
    - iii. authorized MFM to borrow up to an aggregate amount of \$34.0 million under the DIP Facility and amending and increasing the amount of the Interim Lender's Charge to the same amount (plus interest and costs);
  - b. an order which authorized the Company to enter into a transaction contemplated by an asset purchase agreement between Amalgamated Mining & Tunnelling Inc. ("AMTI") for the sale, transfer and assignment to AMTI of all of the right, title and interest of MFM in and to certain assets and the sale, transfer and assignment to MFM of all the right, title and interest of AMTI in and to a 2016 Sandvik Loader;

- c. an order authorizing the Company to enter into a transaction contemplated by a sale and assignment of an equipment lease agreement for the sale of MFM’s right, title and interest in an equipment lease between MFM, as lessee, and Sandvik Canada Inc., as lessor, dated April 19, 2018 to Nyrstar Tennessee Mines – Strawberry Plains LLC (“**NTM**”), a related party to MFM, and vesting the purchased interest in NTM, free and clear of any incumbrances; and
  - d. an order (the “**Tender Process Order**”) approving a sale process in respect of certain of MFM’s equipment and parts inventory (the “**Tender Process**”) and certain other ancillary relief.
7. On October 25, 2024, the Petitioner served a notice of application returnable October 30, 2024, seeking an order (the “**Stay Extension and Disclosure of Personal Information Order**”), among other things:
- a. extending the Stay of Proceedings to January 31, 2025; and
  - b. authorizing the Petitioner to disclose certain personal information of members of UNIFOR Local 3019 (the “**Union**”) to representatives of the Union.

**PURPOSE**

8. The purpose of this report is to provide this Honourable Court and the Petitioner’s stakeholders with information with respect to the following:
- a. the Petitioner’s progress on restructuring matters;
  - b. Union matters including negotiations and rectification of certain historic over and under contributions to the Petitioner’s defined contribution pension plan;
  - c. an update on the Tender Process;

- d. the Petitioner’s actual cash receipts and disbursements for the 43-week period ended October 11, 2024 as compared to the cash flow forecast filed with the Fourth Report of the Monitor (the “**Fifth Cash Flow Forecast**”);
- e. an updated cash flow statement (the “**Sixth Cash Flow Forecast**”) prepared by the Petitioner for the 59-weeks ending January 31, 2025 (the “**Forecast Period**”), including the key assumptions on which the Sixth Cash Flow Forecast is based;
- f. MFM’s application for the Stay Extension; and
- g. the Monitor’s conclusions and recommendations.

#### **TERMS OF REFERENCE**

- 9. In preparing this report, the Monitor has relied upon certain information (the “**Information**”) including the Petitioner’s unaudited financial information, books and records and discussions with senior management of MFM (collectively, “**Management**”).
- 10. Except as described in this report, the Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants of Canada Handbook.
- 11. The Monitor has not examined or reviewed financial forecasts and projections referred to in this report in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.
- 12. Future-oriented financial information reported to be relied on in preparing this report is based on Management’s assumptions regarding future events. Actual results may vary from forecast and such variations may be material.

13. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.

## **RESTRUCTURING MATTERS**

14. As described in the Affidavit of H. Frey dated October 23, 2024, the Petitioner has taken a number of steps to advance its restructuring since the date of the Fourth Report including, among other things:

- a. completing the transactions with AMTI and NTM;
- b. replacing the Petitioner's reclamation bond to achieve significant cost savings;
- c. continuing to manage the ongoing care and maintenance of the mine site;
- d. updating the Life of Mine plan including conducting assessments of mineral reserves, technical engineering and operations;
- e. conducting a review of the equipment and parts inventory to identify which assets to include in the Tender Process and which may be retained in the event that the mine resumes operations;
- f. holding meetings and consultations with potential third-party operators; and
- g. continuing work with respect to rectifying historic pension contribution errors.

15. The Petitioner has been engaging with the Trafigura Group as the owner and the Interim Lender to assess a range of restructuring options including permanent closure, transitioning to long-term care and maintenance, or potentially resuming mining operations.

16. The Petitioner is currently focussing its efforts on developing a business plan that provides for cost and productivity improvements that, along with favorable market



conditions, concessions from key stakeholders and additional capital investment, could allow for a restructuring of the balance sheet and a potential restart of mining operations upon an exit from the CCAA Proceedings.

17. In this regard, the Company has engaged in meetings with Union representatives to discuss the challenges facing the business, which are described in further detail below, and has begun discussions with certain First Nations representatives to explore ways that the First Nations could become more involved in the operations and future of the mine.

## **UNION MATTERS**

### **Negotiations**

18. As described above, the Petitioner's restructuring plan requires, among other things, internal productivity improvements and a restructured balance sheet but also requires favourable market conditions and concessions from key stakeholders, including the Union. These concessions and improvements are required as the current operating model is unsustainable given the below market productivity and MFM's historical high operating costs.
19. The Petitioner and Monitor have met with representatives of the Union to discuss the challenges faced by MFM, including an in-person meeting in Campbell River, BC on October 3, 2024. In order to assist with these discussions, an independent review of MFM's historical financial performance was conducted by Doane Grant Thornton LLP and shared with the Union on a confidential basis on October 21, 2024.
20. It is expected that negotiations will continue and the parties have agreed to meet for three days from November 6 to November 8, 2024 with further meetings anticipated into the first half of 2025.

### **Pension Matters**

21. The Petitioner has identified certain instances of over and under contributions to its defined contribution pension plan (the “**Pension Plan**”).
22. In consultation with legal counsel and the Monitor, the Petitioner has been working to determine the extent of these over and under contributions and formulate a plan to rectify these errors on a case-by-case basis. In doing so, the Monitor understands that the Petitioner has also been in discussions with the CRA, the British Columbia Financial Services Authority and the Union.
23. The Union has requested that the Petitioner provide it with the details of over/under contribution amounts for each affected Union member employee allowing it to assist with questions and process matters. Given the nature and sensitivities of the information as well as the limitations imposed by statute, the Petitioner is seeking an order from this Honourable Court permitting it to disclose the related personal information.
24. The Monitor is of the view that sharing the contribution information with the Union will be of assistance to the affected member employees and is appropriate in the circumstances.

## **TENDER PROCESS**

25. The Petitioner has commenced the Tender Process for the sale of various redundant mining equipment and parts inventory (the “**Assets**”) located at the Mine. The Assets are not needed for care and maintenance operations or otherwise would not be needed in the immediate start up of the Mine.
26. Pursuant to the Tender Process Order, MFM, with the assistance of the Monitor, undertook the following activities:
  - a. prepared a list of prospective purchasers, including auctioneers and equipment dealers among other strategic parties (the “**List of Prospective Purchasers**”);

- b. populated a virtual data room with information on the Assets available for sale to prospective purchasers, including photos and descriptions of the Assets;
- c. prepared a Tender Process summary outlining the process and inviting prospective purchasers to provide an offer (the “**Invitation for Offers**”);
- d. distributed the Invitation for Offers to the List of Prospective Purchasers on October 18, 2024;
- e. posted copies of the Invitation for Offers, Form of Offer, Tender Process Letter, and Tender Process Order on the Monitor’s website; and
- f. arranged for notice of the Tender Process to be published in the Northern Minter on November 1, 2024.

27. The timeline as proposed in the Invitation for Offers is as follows:

<b>Event</b>	<b>Date</b>
Launch date	October 18, 2024
Access to virtual data room	Commencing October 21, 2024
Site visits	November 4, 2024 to November 15, 2024
Bid deadline	November 29, 2024 at 4 p.m. PST

### **CASH FLOW VARIANCE ANALYSIS**

28. The Petitioner reported its actual cash flows in comparison to those contained in the Fifth Cash Flow Forecast to the Monitor on a weekly basis and provided biweekly cash flow reporting to the Interim Lender accompanied by rolling cash flow projections as provided for under the DIP Facility.

29. MFM’s actual cash receipts and disbursements as compared to the Fifth Cash Flow Forecast for the period of December 18, 2023 to October 11, 2024, are summarized below:

<b>Myra Falls Mine Ltd.</b>				
<b>Cash Flow Variance Analysis</b>				
<b>Forty-three Week Period Ended October 11, 2024</b>				
<i>(CAD\$ thousands)</i>				
	<b>Actual</b>	<b>Forecast</b>	<b>Variance</b>	
<b>Operating Receipts</b>				
Sales	\$ 5,903	\$ 5,903	\$ -	-
Other receipts	7,678	4,796	2,882	60%
<b>Total Operating Receipts</b>	<b>13,581</b>	<b>10,699</b>	<b>2,882</b>	<b>27%</b>
<b>Operating Disbursements</b>				
Payroll and Benefits	(15,884)	(15,721)	(163)	(1)%
Consultants and Contractors	(8,042)	(7,787)	(254)	(3)%
Pension Fund Contributions	(22)	(209)	187	89%
Fuel	(1,249)	(1,300)	51	4%
Materials and Supplies	(1,521)	(1,464)	(57)	(4)%
Leases	(1,155)	(1,145)	(10)	(1)%
Other operating disbursements	(8,979)	(9,643)	664	7%
<b>Total Operating Disbursements</b>	<b>(36,852)</b>	<b>(37,268)</b>	<b>416</b>	<b>1%</b>
<b>Net Change in Cash from Operations</b>	<b>(23,271)</b>	<b>(26,569)</b>	<b>3,298</b>	<b>12%</b>
<b>Non-Operating Items</b>				
Capital Expenditures	(98)	(134)	36	27%
Impact Benefit Agreement	(371)	(216)	(155)	(72)%
Restructuring Professional Fees	(4,276)	(5,156)	880	17%
<b>Net Change in Cash from Non-Operating Items</b>	<b>(4,745)</b>	<b>(5,506)</b>	<b>762</b>	<b>(14)%</b>
<b>Financing</b>				
Interim Financing	27,000	31,000	(4,000)	(13)%
<b>Net Change in Cash from Financing</b>	<b>27,000</b>	<b>31,000</b>	<b>(4,000)</b>	<b>(13)%</b>
<b>Effect of Foreign Exchange Translation</b>	<b>(1)</b>	<b>11</b>	<b>(13)</b>	<b>(111)%</b>
<b>Net Change in Cash</b>	<b>(1,017)</b>	<b>(1,064)</b>	<b>47</b>	<b>(4)%</b>
<b>Opening Cash</b>	<b>2,047</b>	<b>2,047</b>	<b>-</b>	<b>-</b>
<b>Ending Cash</b>	<b>\$ 1,030</b>	<b>\$ 983</b>	<b>\$ 47</b>	<b>5%</b>

30. Overall, MFM realized a favourable net cash flow variance of approximately \$47,000.

The key components of the variance are as follows:

- a. receipts were higher than forecast primarily as a result of the following:

- i. the collection of proceeds in respect of the AMTI and NTM transactions, respectively; and
  - ii. the collection of interest payments from TCL on the Tax Optimization Plan (as defined in the Third Report) structure as discussed in previous reports;
- b. operating disbursements were lower than forecast, primarily as a result the following:
- i. the financing of the Company's annual insurance premium through CAFO, payable over the policy term as opposed to the forecasted lump-sum payment; offset by
  - ii. additional consultants and contractors required to address environmental matters at the Mine;
- c. while restructuring professional fees overall have been lower than forecast, the favourable variance is largely a timing difference that is expected to reverse in the coming weeks. A summary of the professional fee disbursements incurred since the commencement of the CCAA Proceedings is set out in the below table:

<b>Professional Fee Summary</b>					
<b>Forty-three Week Period Ended October 11, 2024</b>					
<i>(CAD\$ thousands)</i>					
<b>Firm</b>	<b>Role</b>	<b>Fees</b>	<b>Disbursements</b>	<b>Taxes</b>	<b>Total</b>
FTI Consulting Canada Inc.	Monitor	\$ 968	\$ 16	\$ 45	1,030
Blake Cassels & Graydon LLP	Monitor's Counsel	287	0	26	313
Gowling WLG	Company's Counsel	2,145	8	258	2,411
FTI Capital Advisors	Financial Advisor	497	-	25	522
<b>Total</b>		<b>\$ 3,898</b>	<b>\$ 25</b>	<b>\$ 353</b>	<b>\$ 4,276</b>

## **SIXTH CASH FLOW FORECAST**

31. The Petitioner has prepared the Sixth Cash Flow Forecast to set out the liquidity requirements of MFM during the 59 weeks ending January 31, 2025. A copy of the Sixth Cash Flow Forecast is attached as Appendix “A”.

32. The Sixth Cash Flow Statement is summarized in the following table:

<b>Myra Falls Mine Ltd.</b>			
<b>Sixth Cash Flow Forecast</b>			
<b>Fifty-nine Week Period Ending January 31, 2025</b>	<b>Weeks 1-43</b>	<b>Weeks 44-59</b>	
<b>(CAD\$ thousands)</b>	<b>Actual</b>	<b>Forecast</b>	<b>Total</b>
<b>Operating Receipts</b>			
Sales	\$ 5,903	\$ 1,023	\$ 6,926
Other receipts	7,678	-	7,678
<b>Total Operating Receipts</b>	<b>13,581</b>	<b>1,023</b>	<b>14,603</b>
<b>Operating Disbursements</b>			
Payroll and Benefits	(15,884)	(3,058)	(18,942)
Consultants and Contractors	(8,042)	(2,133)	(10,175)
Pension Fund Contributions	(22)	(449)	(471)
Fuel	(1,249)	(253)	(1,502)
Materials and Supplies	(1,521)	(361)	(1,882)
Leases	(1,155)	(291)	(1,445)
Other operating disbursements	(8,979)	683	(8,297)
<b>Total Operating Disbursements</b>	<b>(36,852)</b>	<b>(5,862)</b>	<b>(42,714)</b>
<b>Net Change in Cash from Operations</b>	<b>(23,271)</b>	<b>(4,839)</b>	<b>(28,110)</b>
<b>Non-Operating Items</b>			
Capital Expenditures	(98)	(62)	(160)
Impact Benefit Agreement	(371)	(316)	(687)
Restructuring Professional Fees	(4,276)	(1,549)	(5,825)
<b>Net Change in Cash from Non-Operating Items</b>	<b>(4,745)</b>	<b>(1,926)</b>	<b>(6,671)</b>
<b>Financing</b>			
Interim Financing	27,000	6,500	33,500
<b>Net Change in Cash from Financing</b>	<b>27,000</b>	<b>6,500</b>	<b>33,500</b>
<b>Effect of Foreign Exchange Translation</b>	<b>(1)</b>	<b>-</b>	<b>(1)</b>
<b>Net Change in Cash</b>	<b>(1,017)</b>	<b>(266)</b>	<b>(1,283)</b>
<b>Opening Cash</b>	<b>2,047</b>	<b>1,030</b>	<b>2,047</b>
<b>Ending Cash</b>	<b>\$ 1,030</b>	<b>\$ 764</b>	<b>\$ 764</b>

33. The Sixth Cash Flow Forecast is based on the following key assumptions:

- a. receipts include a post-filing sale of the limited remaining zinc and gold concentrate left at the Mine to Trafigura Canada Limited, with whom MFM has an offtake agreement, in the amount approximately US\$700,000;
- b. payroll and benefits reflect the reduced work force following the transition to care and maintenance;
- c. consultants and contractors include supporting safety and environmental services as well as asset maintenance contractors;
- d. pension fund contributions relate to the defined contribution pension plan;
- e. leases relate to certain machinery and equipment that MFM continues to use for care and maintenance activities;
- f. the remaining operating disbursements relate primarily to ordinary course payments for fuel and other supplies needed for care and maintenance activities;
- g. other operating disbursements are forecast to result in net credits over the forecast period and include, among other things:
  - i. a \$1.1 million net refund relating to the reimbursement from AON Reed Stenhouse Inc. in respect of the reclamation bond insurance premium that is being replaced by Rosenberg & Parker of Canada, Inc. at a significantly reduced rate while maintaining the same amount of coverage; less
  - ii. monthly installment payments of \$73,000 relating to the CAFO financed property insurance;
- h. payments to the Wei Wai Kum and We Wai Kai First Nations in respect of the Impact & Benefit Agreement and Discovery Terminal lease are forecast under the Impact Benefit Agreement and lease line items;



- i. restructuring professional fees include fees and disbursements for the Petitioner's legal counsel, the Financial Advisor, the Monitor and the Monitor's legal counsel;
- j. it assumed that the Petitioner will draw an additional \$6.5 million under the DIP Facility during the period of the proposed extension. While the Company does not require an increase in the maximum amount of the DIP Facility, the Company and the Interim Lender have amended the terms of the DIP Facility to extend the maturity date to January 31, 2025; and
- k. all interest and fees pertaining to the DIP Facility are forecast to be paid in kind.

### **STAY EXTENSION**

34. MFM is seeking a Stay Extension in these CCAA Proceedings, extending the Stay of Proceedings until and including January 31, 2025.

35. The Monitor has considered MFM's application for the Stay Extension and has the following comments:

- a. the Petitioner requires the Stay Extension to consult with its key stakeholders, including the Interim Lender, the Union and the First Nations and develop a plan to effect an operational and financial restructuring, including a potential restart of the mine;
- b. the Petitioner requires time to carry out negotiations with various stakeholders to determine the Petitioner's ability to implement a transaction that would allow for a restart of mining operations;
- c. the Petitioner requires additional time to complete the Tender Process;
- d. the Sixth Cash Flow Forecast forecasts that the Petitioner will have available liquidity during the term of the proposed Stay Extension;

- e. there will be no material prejudice to the Petitioner's creditors and other stakeholders as a result of the Stay Extension;
- f. MFM's overall prospects of effecting a viable restructuring will be enhanced by the Stay Extension;
- g. it is not readily apparent that a shorter extension to mid-December would be of benefit and given the holiday season an extension until January would appear more efficient; and
- h. the Petitioner is acting in good faith and with due diligence.

## **CONCLUSIONS AND RECOMMENDATIONS**

- 36. The Petitioner, in conjunction with Trafigura, is working to develop a comprehensive restructuring plan with the objective of achieving cost and productivity improvements and a restructured balance sheet to allow for a restart of mining operations following an exit from CCAA Proceedings.
- 37. The Disclosure of Personal Information Order will provide for information disclosure that will allow the Union to assist its members and the Petitioner in rectifying historic contribution errors.
- 38. Based on the foregoing, the Monitor respectfully recommends that this Honourable Court grant the Stay Extension and Disclosure of Personal Information Order.

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All of which is respectfully submitted this October 25, 2024.

**FTI Consulting Canada Inc.**  
in its capacity as Monitor of MFM

Handwritten signature of Paul Bishop in cursive script.

Paul Bishop  
Senior Managing Director

Handwritten signature of Tom Powell in cursive script.

Tom Powell  
Senior Managing Director

## **Appendix A**

Sixth Cash Flow Statement for the  
59-week Period Ending January 31, 2025

Myra Falls Mine Ltd.  
Sixth Cash Flow Statement  
For the 59-week period ending January 31, 2025

Week Ending (in \$'s thousands)	Notes	Weeks 1-43	Week 44	Week 45	Week 46	Week 47	Week 48	Week 49	Week 50	Week 51	Week 52	Week 53	Week 54	Week 55	Week 56	Week 57	Week 58	Week 59	Total
		11-Oct-24	18-Oct-24	25-Oct-24	1-Nov-24	8-Nov-24	15-Nov-24	22-Nov-24	29-Nov-24	6-Dec-24	13-Dec-24	20-Dec-24	27-Dec-24	3-Jan-25	10-Jan-25	17-Jan-25	24-Jan-25	31-Jan-25	
<b>Operating Receipts</b>																			
Sales	[1]	5,903	925											98					6,926
Other receipts	[2]	7,676																	7,676
<b>Total Operating Receipts</b>		<b>13,581</b>	<b>925</b>											<b>98</b>					<b>14,603</b>
<b>Operating Disbursements</b>																			
Payroll and Benefits	[3]	(1,588)	(226)	(156)	(172)	(230)	(171)	(226)	(156)	(172)	(230)	(172)	(156)	(172)	(130)	(253)	(226)	(156)	(1,842)
Consultants and Contractors	[4]	(8,042)	(107)	(117)	(117)	(117)	(117)	(117)	(117)	(117)	(117)	(117)	(117)	(130)	(181)	(181)	(181)	(181)	(10,175)
Pension Fund Contributions	[5]	(22)					(31)		(31)			(49)			(149)				(471)
Fuel	[6]	(1,249)	(16)	(20)	(31)		(31)		(31)			(31)		(31)		(31)		(31)	(1,502)
Materials and Supplies	[7]	(1,521)	(19)	(19)	(19)	(19)	(19)	(19)	(19)	(19)	(19)	(19)	(19)	(24)	(33)	(33)	(33)	(33)	(1,882)
Leases	[8]	(1,155)	(1)	(1)	(1)	(6)	(1)	(1)	(1)	(1)	(6)	(1)	(1)	(1)	(6)	(263)	(1)	(1)	(1,445)
Other operating disbursements	[9]	(8,979)	(11)	1,070	(84)	(11)	(11)	(11)	(11)	(84)	(11)	(11)	(11)	(84)	(11)	(11)	(11)	(11)	(8,297)
<b>Total Operating Disbursements</b>		<b>(36,852)</b>	<b>(386)</b>	<b>757</b>	<b>(424)</b>	<b>(383)</b>	<b>(501)</b>	<b>(374)</b>	<b>(335)</b>	<b>(393)</b>	<b>(563)</b>	<b>(374)</b>	<b>(335)</b>	<b>(412)</b>	<b>(541)</b>	<b>(741)</b>	<b>(483)</b>	<b>(382)</b>	<b>(41,714)</b>
<b>Net Change in Cash from Operations</b>		<b>(23,271)</b>	<b>545</b>	<b>757</b>	<b>(424)</b>	<b>(383)</b>	<b>(501)</b>	<b>(374)</b>	<b>(335)</b>	<b>(393)</b>	<b>(563)</b>	<b>(374)</b>	<b>(335)</b>	<b>(314)</b>	<b>(541)</b>	<b>(741)</b>	<b>(483)</b>	<b>(382)</b>	<b>(28,130)</b>
<b>Non-Operating Items</b>																			
Capital Expenditures	[10]	(89)		(62)															(160)
Impact Benefit Agreement	[11]	(371)	(135)				(20)												(687)
Restructuring Professional Fees	[12]	(4,276)	(579)			(390)					(390)			(161)		(390)			(5,526)
<b>Net Change in Cash from Non-Operating Items</b>		<b>(4,746)</b>	<b>(135)</b>	<b>(441)</b>		<b>(390)</b>	<b>(20)</b>				<b>(390)</b>			<b>(161)</b>	<b>(390)</b>				<b>(6,673)</b>
<b>Financing</b>																			
Interest Financing	[13]	27,000					500	500	500	500	1,000		500	1,000	500	1,000	500	500	11,500
<b>Net Change in Cash from Financing</b>		<b>27,000</b>					<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>1,000</b>		<b>500</b>	<b>1,000</b>	<b>500</b>	<b>1,000</b>	<b>500</b>	<b>500</b>	<b>13,500</b>
<b>Effect of Foreign Exchange Translation</b>			(1)																(1)
<b>Net Change in Cash</b>		<b>(1,017)</b>	<b>410</b>	<b>317</b>	<b>(424)</b>	<b>(773)</b>	<b>(21)</b>	<b>126</b>	<b>165</b>	<b>107</b>	<b>47</b>	<b>(374)</b>	<b>165</b>	<b>25</b>	<b>69</b>	<b>(741)</b>	<b>17</b>	<b>118</b>	<b>(1,283)</b>
Opening Cash		2,047	1,030	1,440	1,757	1,333	560	539	666	831	938	985	611	776	802	871	630	646	2,847
<b>Ending Cash</b>		<b>\$ 1,030</b>	<b>\$ 1,440</b>	<b>\$ 1,757</b>	<b>\$ 1,333</b>	<b>\$ 560</b>	<b>\$ 539</b>	<b>\$ 666</b>	<b>\$ 831</b>	<b>\$ 938</b>	<b>\$ 985</b>	<b>\$ 611</b>	<b>\$ 776</b>	<b>\$ 802</b>	<b>\$ 871</b>	<b>\$ 630</b>	<b>\$ 646</b>	<b>\$ 764</b>	<b>\$ 764</b>

Notes:  
 Management has prepared this Cash Flow Statement solely for the purposes of determining the liquidity requirements of Myra Falls Mine Ltd. during the CCAA Proceedings.  
 The Cash Flow Statement is based on the probable and hypothetical assumptions detailed below. Actual results will likely vary from performance projected and such variations may be material.

[1] Sales relate primarily to receipts from finalizations of shipments made prior to the Filing Date. A shipment of the remaining concentrate occurred post-filing with anticipated related sales receipts occurring in the weeks ending October 18, 2024 and January 3, 2025. All receipts are assumed to be collected under normal course trade settlement terms for shipments.  
 [2] Other receipts relate to GST refunds, approved transfer of lease assets, and interest income.  
 [3] Payroll reflects the remaining employees used to support care and maintenance activities.  
 [4] Consultants and contractors includes supporting safety and environmental services, demobilization and asset maintenance.  
 [5] Pension contributions are forecast to be remitted as they fall due.  
 [6] Fuel payments are forecast to support care and maintenance activities.  
 [7] Materials and supplies relates to various consumable items required for care and maintenance activities, including certain items required to comply with environmental regulations.  
 [8] The forecast includes payments for certain leased equipment that is used for care and maintenance activities as well as a payment for the Discovery Terminal Lease in the week ending January 17, 2025.  
 [9] Other operating disbursements includes other overhead items such as insurance, information technology, and human resources. A reimbursement from BDN Lease Distribution Ltd. in respect of the termination bond assurance premium that is being replaced by Rosenburg & Partners Ltd. has not yet been received in the week ending October 31, 2024.  
 [10] A project to raise the height of the walls of the tailings disposal facility is forecast to be complete during the Forecast Period.  
 [11] Payments under the Impact Benefit Agreement are anticipated to be made as per the current contract.  
 [12] Restructuring professional fees include the fees and disbursements of the Prisoner's legal counsel, the Monitor, the Monitor's legal counsel and a contingency for other advisors.  
 [13] Interest financing of \$33.5 million, from which \$27 million was already received, is forecast to be extended over the forecast period, with any and all applicable interest and fees being paid on time.