



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

EIGHTH REPORT OF THE MONITOR

June 30, 2025

EIGHTH 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 provided for, among other things:
 - a. a stay of proceedings with respect to 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 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. amended the ARIO to make the Financial Advisor a beneficiary of the Administration Charge; and
 - d. 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 Petitioner 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 approving a sale process in respect of certain of MFM’s equipment and parts inventory and certain other ancillary relief.

7. On October 30, 2024, this Honourable Court granted an order which, among other things:
 - a. extended the Stay of Proceedings to January 31, 2025; and
 - b. authorized the Petitioner to disclose certain personal information of members of UNIFOR Local 3019 (the “**Union**”) to representatives of the Union.
8. On January 29, 2025, this Honourable Court granted the following:
 - a. an order appointing William Kaplan K.C. as an officer of the Court to act as a neutral third party to assist representatives of the Union and the Petitioner with the mediation of discussions between the Union and the Petitioner related to the draft memorandum of agreement and the Collective Bargaining Agreement amendments; and
 - b. an order which, among other things:
 - i. extended the Stay of Proceedings to April 4, 2025;
 - ii. authorized the Petitioner to borrow an additional \$3.0 million (bringing total borrowings up to an aggregate principal amount of \$37.0 million) and increased the Interim Lender’s Charge accordingly; and
 - iii. approved the auction and liquidation services agreement between the Petitioner and Maynards Industries II Canada Ltd.
9. On April 3, 2025, this Honourable Court granted the following:
 - a. an order which, among other things:
 - i. approved a sale and investment solicitation process (the “**Second SISP**”), including a stalking horse subscription agreement (the “**Subscription**”)

Agreement”) dated March 31, 2025 among the Petitioner and Trafigura Holding S.à r.l. (the “**Purchaser**”);

- ii. approved the Expense Reimbursement Amount (as defined in the Subscription Agreement);
- iii. approved the re-appointment of the Financial Advisor in connection with the SISP; and

b. an order which, among other things:

- i. extended the Stay of Proceedings to July 31, 2025; and
- ii. authorized the Petitioner to borrow an additional \$8.0 million (bringing total borrowings up to an aggregate principal amount of \$45.0 million) and increased the Interim Lender’s Charge accordingly.

10. On June 27, 2025, the Petitioner filed a notice of application returnable July 10, 2025, seeking the following:

a. an order (the “**RVO**”), among other things:

- i. approving the transactions (the “**Transactions**”) contemplated by an amended and restated share subscription agreement (the “**Amended Subscription Agreement**”); and
- ii. authorizing and directing MFM to perform its obligations under the Amended Subscription Agreement and to take all steps and execute such additional documents as may be necessary or desirable for the completion of the Transactions;

- iii. approving the addition of an entity to be incorporated (“**Residual Co.**”) prior to the closing of the Transactions as a Petitioner to these proceedings, at the Closing Time (as defined in the Amended Subscription Agreement) of the Transactions;
 - iv. vesting in Residual Co. all of the right, title and interest in and to certain assets (the “**Excluded Assets**”) and liabilities (the “**Excluded Liabilities**”) of MFM that are not to be acquired pursuant to the Amended Subscription Agreement, and discharging all Encumbrances against MFM and the Petitioner’s Property other than the Permitted Encumbrances (each as defined in the RVO);
 - v. vesting in the Purchaser all of the right, title and interest in and to the Purchased Shares (as defined in the RVO) issued by MFM, and ordering that the Petitioner’s Property shall be retained by MFM free and clear of any Encumbrances, Excluded Liabilities and Claims (as defined in the RVO); and
 - vi. approving certain releases.
- b. an order (the “**Stay Extension Order**”), among other things:
- i. extending the Stay of Proceedings to October 31, 2025 (the “**Stay Extension**”); and
 - ii. authorizing the Petitioner to borrow an additional \$6.5 million (bringing total borrowings up to an aggregate principal amount of \$51.5 million) and increasing the Interim Lender’s Charge accordingly.

PURPOSE

11. 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 outcome of the Second SISP;
 - b. the key commercial terms of the Amended Subscription Agreement;
 - c. the Petitioner's application for the RVO;
 - d. the proposed increase to the DIP Facility and Interim Lender's Charge;
 - e. the Petitioner's actual cash receipts and disbursements for 78-week period ended June 13, 2025 as compared to the cash flow forecast (the "**Eighth Cash Flow Forecast**") filed with the Seventh Report of the Monitor dated April 1, 2025;
 - f. an updated cash flow forecast (the "**Ninth Cash flow Forecast**") prepared by the Petitioner up to the week ending October 31, 2025, including the key assumptions on which the Ninth Cash Flow Forecast is based;
 - g. MFM's application for the Stay Extension; and
 - h. the Monitor's conclusions and recommendations.

TERMS OF REFERENCE

12. 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**").

13. Except as described in this report, the Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants of Canada Handbook.
14. The Monitor has not examined or reviewed financial forecasts and projections referred to in this report in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.
15. Future-oriented financial information reported to be relied on in preparing this report is based on Management's assumptions regarding future events. Actual results may vary from forecast and such variations may be material.
16. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.

SECOND SISP

17. The Petitioner, in conjunction with the Financial Advisor and in consultation with the Monitor, undertook the Second SISP to solicit offers for the sale of, or an investment in, all or substantially all of the property and business of MFM. The detailed timelines and procedures of the Second SISP are described in the Seventh Report of the Monitor dated April 1, 2025.
18. The steps taken to implement the Second SISP can be summarized as follows:
 - a. the Financial Advisor contacted 171 potentially interested parties, including strategic and private equity or other investors;
 - b. 5 potential purchasers executed non-disclosure agreements and were provided with access to an electronic data room; and

- c. 1 non-binding letter of intent (“**LOI**”) from a potential purchaser (the “**LOI Bidder**”) was received by the Financial Advisor and Monitor on or around the Phase I Bid Deadline of May 27, 2025.
19. The Financial Advisor, in consultation with the Petitioner and Monitor, extended the Phase I Deadline (as defined in the Second SISP) to engage in discussions with the LOI Bidder, including to clarify aspects of the LOI, provide additional information to the LOI Bidder and obtain further information on the status of financing commitments required to complete the proposed transaction. Following these discussions, on June 11, 2025, MFM, in consultation with the Monitor, determined that the LOI did not meet the criteria of a Phase 1 Qualified Bid (as defined in the Second SISP) and the LOI Bidder was notified of same.
20. As the Second SISP did not result in any acceptable going-concern transactions for the Petitioner’s assets, the Subscription Agreement was selected as the successful bid and the Second SISP was terminated.

AMENDED SUBSCRIPTION AGREEMENT

21. The Amended Subscription Agreement is structured as a share purchase and is subject to certain implementation steps required to be completed prior to closing.
22. The transaction contemplated by the Amended Subscription Agreement is to be contemplated through an RVO. If approved by this Honourable Court, the RVO will vest certain assets and liabilities in Residual Co. which is to be formed by MFM or its affiliates prior to closing.
23. The Amended Subscription Agreement does not differ materially from the Subscription Agreement. Amendments include further details on the Excluded Contracts and Retained Liabilities and amending the definition of DIP Facility (to increase the amount to \$51.5 million, subject to the approval of this Honourable Court).

24. The key commercial terms of the Amended Subscription Agreement were included in the Seventh Report of the Monitor and are repeated below for reference, as follows:

- a. the total aggregate consideration payable (the “**Purchase Price**”) by the Purchaser (as defined in the Amended Subscription Agreement) is:
 - i. an amount equal to all outstanding amounts under the DIP Facility as of the Closing Date (the “**DIP Repayment Amount**”);
 - ii. cash in an amount sufficient to address:
 - 1. services performed by the Monitor and its legal counsel after the Closing Date in connection with the CCAA Proceedings (the “**Administrative Expense Amount**”), up to the amount of \$100,000; and
 - 2. amounts owing in respect of obligations secured by the Court-ordered Charges (with the exception of the Interim Lender’s Charge, which will be automatically released following the receipt by the DIP Lender of the DIP Repayment Amount) (the “**CCAA Charge Amount**”);
 - iii. an amount equal to those priority payments prescribed under subsections 6(3), 6(5) and 6(6) of the CCAA (the “**Priority Payments**” and collectively with the Administrative Expense Amount and CCAA Charge Amount, the “**Cash Consideration**”);
- b. certain liabilities will be retained, including, among other things;
 - i. unsettled post-filing obligations of the Petitioner;

- ii. liabilities of MFM that relate to the period and arise from and after closing; and
- iii. other specific liabilities, including, among other things:
 - 1. intercompany claims;
 - 2. any reclamation obligations;
 - 3. obligations and liabilities pursuant to the TCL Offtake Agreements and Mineral Leases;
 - 4. obligations and liabilities pursuant to the Impact Benefit Agreement (“**IBA**”) and Wharf Lease, as amended;
 - 5. obligations and liabilities associated with certain pension plans; and
 - 6. any other liabilities identified by the Purchaser to MFM prior to service of materials for an order approving the Transactions;
- c. excluded assets, including, among other things:
 - i. the Cash Consideration;
 - ii. tax records and returns, and books and records pertaining to any of the Excluded Liabilities or Excluded Assets;
 - iii. certain contracts; and
 - iv. any other assets, including contracts and leases, identified by the Purchaser to MFM prior to service of materials for an order approving the Transactions;

- d. except as expressly retained, all liabilities of the Petitioner shall become the sole obligation of Residual Co. pursuant to the RVO and include, among other things:
 - i. all pre-filing claims;
 - ii. any liabilities arising from the termination of leases or other contracts; and
 - iii. any pre-closing unsecured employee claims;
 - iv. all Claims and liabilities relating to Excluded Contracts;
- e. conditions for closing for the benefit of the Purchaser, include among other things, amendments to the IBA and Wharf Lease (as defined in the Amended Subscription Agreement), in form and substance satisfactory to the Purchaser, as well as a new credit agreement between the Petitioner and the Purchaser or an affiliate thereof;
- f. the Purchaser may make conditional offers of employment to MFM's current non-unionized salaried employees and if accepted, will be considered new employees with service commencing effective as of the Closing Date, except as required for compliance with the minimum statutory severance requirements;
- g. non-unionized, salaried employees who are offered employment will have 4 days to consider acceptance prior to closing;
- h. notwithstanding that the Collective Bargaining Agreement ("CBA") is not an Excluded Contract, the Amended Subscription Agreement excludes any monetary obligation owing under the CBA that is a pre-closing, unsecured employee claim, including amounts arising from a unionized employee's entitlement to common law notice of termination or statutory or contractual notice, severance or termination or entitlement to payment on the lapse of any recall period for unionized employees;

- i. the Amended Subscription Agreement contemplates a number of implementation steps to occur prior to the Closing Date, including among other things, the formation of Residual Co. to assume the Excluded Liabilities in consideration of the transfer of the Excluded Assets pursuant to the RVO; and
- j. the anticipated closing date of the Amended Subscription Agreement is September 30, 2025;

25. The Monitor's comments with respect to the Amended Subscription Agreement are as follows:

- a. the business and assets of the Petitioner have been extensively marketed through two separate sale processes;
- b. the Second SISP was fair and transparent and provided all participants with equal access to information and opportunity to submit an offer;
- c. the Second SISP was conducted with oversight of the Monitor;
- d. the Purchase Price and other terms of the Amended Subscription Agreement are fair and reasonable in consideration of the market value of the purchased assets, as determined through the Second SISP;
- e. while the Amended Subscription Agreement provides for the retention of certain unsecured liabilities and not others, the Financial Advisor encouraged potential purchasers to submit competing bids, even if the consideration did not address the intercompany claims or any obligations and liabilities pursuant to the TCL Offtake Agreements and Mineral Leases;
- f. the target closing date will enable the Petitioner to complete a transaction within the liquidity runway afforded by the Interim Facility;

- g. the timelines, conditions and other key terms of the Amended Subscription Agreement are commercially reasonable in the circumstances, based on the Monitor's experience with similar transactions in the context of insolvency and restructuring proceedings;
- h. the Amended Subscription Agreement provides for a going concern transaction and potential restart of the mine in due course, offering greater benefit than a forced liquidation; and
- i. a going concern transaction pursuant to the Amended Subscription Agreement will enable the Purchasers to facilitate the ongoing environmental and regulatory compliance of the mine.

REVERSE VESTING ORDER

26. The Amended Subscription Agreement contemplates an RVO structure which provides for certain implementation steps, including, among other things, the incorporation of Residual Co. and the vesting of the Excluded Liabilities in Residual Co. in exchange for the Excluded Assets. The Amended Subscription Agreement is structured as an RVO as opposed to an asset purchase agreement, for the following reasons:

- a. it will allow the Petitioner to maintain all of its licenses and permits in connection with the mine, wharf and terminal facility, reducing the administrative burden and cost of potentially transferring these assets in a traditional asset sale transaction structure;
- b. it will allow the Petitioner to maintain the IBA with the Wei Wai Kum First Nation and the We Wai Kai First Nation which would be time consuming and costly to replace or would otherwise require consent to transfer; and
- c. the RVO structure maintains the Petitioner's tax attributes, which may be valuable to the Purchaser in future years.

27. The RVO contemplates releases for current and former directors, officers, officers, employees, consultants, legal counsel and advisors of the Company and Residual Co., the Monitor and its legal counsel, and the Interim Lender and the Purchaser, as well as their respective current and former directors, officers, employees, legal counsel and advisors (collectively, the “**Released Parties**”). The Released Parties are to be released and discharged from all present and future liabilities and claims arising or in connection with or relating to:

- a. any act or omission, transaction, offer, dealing, or other fact, matter, occurrence or thing existing or taking place on or prior to the Closing Time;
- b. the Amended Subscription Agreement; and/or
- c. the consummation of the Transactions, any closing document, agreement, document, instrument, matter or transaction involving the Petitioner arising in connection with or pursuant to any of the foregoing the consummation of the Transactions.

28. The Monitor’s comments on the RVO are as follows:

- a. the RVO will permit the transfer of certain key components of the Petitioner’s business that are otherwise not easily transferred under a traditional asset sale, and to the extent such components could be replaced, the steps required to do so would result in significant additional delays and costs;
- b. the RVO structure avoids potentially significant delays and costs associated with having to seek the consent to assignment from contract counterparties, or if such consents could not be obtained, orders assigning such contracts pursuant to section 11.3 of the CCAA;
- c. no stakeholder is prejudiced by the RVO structure, as compared to an asset transaction. In particular, based on the transaction value and the amounts owing to

the Interim Lender, there is no apparent prejudice to creditors whose claims will be Excluded Liabilities as their claims would not have been assumed and their unsecured claims would have received no recovery;

- d. there has been broad notice of the CCAA Proceedings and the proposed transaction;
- e. the releases relate to parties who have been integral to these CCAA Proceedings and the Second SISP, the result of which is the preservation of the going-concern value of the Petitioner and successful exit from these CCAA Proceedings; and
- f. the RVO is a requirement of the Amended Subscription Agreement, which is the highest and best offer as determined by the Second SISP.

DIP FACILITY AMENDMENT

- 29. The proposed Stay Extension Order provides for an increase in the amount of the approved Interim Facility from \$45.0 million to \$51.5 million and a corresponding increase in the Interim Lender's Charge to a maximum of \$51.5 million.
- 30. The proposed increase to the DIP Facility and Interim Lender's Charge has been determined based on the amount that MFM is forecasting to require to fund the CCAA Proceedings through to the expiry of the proposed Stay Extension.
- 31. The Monitor's view is that the increased availability under the DIP Facility is reasonable in the circumstances and is required by the Petitioner to continue, among other things, its ongoing care and maintenance operations, including meeting all environmental and safety requirements and its restructuring initiatives, including closing the Amended Subscription Agreement.

CASH FLOW VARIANCE ANALYSIS

32. The Petitioner has reported its actual cash flows in comparison to those contained in the Eighth 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.
33. MFM's actual cash receipts and disbursements as compared to the Eighth Cash Flow Forecast for the period of December 18, 2023 to June 13, 2025, are summarized below:

Myra Falls Mine Ltd.**Cash Flow Variance Analysis****Seventy-Eight Week Period Ending June 13, 2025****(CAD\$ thousands)**

	Actual	Forecast	Variance	
Operating Receipts				
Sales	\$ 7,130	\$ 7,130	\$ -	-
Other receipts	9,696	9,283	414	4%
Total Operating Receipts	16,826	16,412	414	3%
Operating Disbursements				
Payroll and Benefits	(22,054)	(22,091)	37	0%
Consultants and Contractors	(13,228)	(13,450)	222	2%
Pension Fund Contributions	20	(8)	28	345%
Fuel	(1,931)	(1,910)	(20)	(1)%
Materials and Supplies	(2,680)	(2,785)	104	4%
Leases	(1,476)	(1,488)	11	1%
Other operating disbursements	(8,534)	(8,355)	(179)	(2)%
Total Operating Disbursements	(49,871)	(50,087)	215	0%
Net Change in Cash from Operations	(33,045)	(33,674)	629	2%
Non-Operating Items				
Capital Expenditures	(235)	(845)	610	72%
Impact Benefit Agreement	(1,077)	(1,068)	(9)	(1)%
Restructuring Professional Fees	(6,493)	(7,180)	686	10%
Net Change in Cash from Non-Operating Items	(7,819)	(9,093)	1,273	14%
Financing				
Interim Financing	41,500	41,500	-	-
Net Change in Cash from Financing	41,500	41,500	-	-
Effect of Foreign Exchange Translation	(18)	2	(20)	(828)%
Net Change in Cash	618	(1,265)	1,882	(149)%
Opening Cash	2,047	2,047	-	-
Ending Cash	\$ 2,665	\$ 783	\$ 1,882	240%

34. Overall, MFM realized a favourable net cash flow variance of approximately \$1.9 million. The key components of the variance are as follows:

- a. receipts were higher than forecast primarily as a result of the collection of interest payments from TCL in respect of the Tax Optimization Plan (as defined in the Third Report) structure as described in previous reports;
- b. operating disbursements were lower than forecast, primarily as a result the following:
 - i. a favourable variance in consultant and contractor costs driven by the timing of certain projects relating to environmental and regulatory maintenance and reporting;
 - ii. a favourable variance in material and supply disbursements relating to lower than anticipated consumption of lime and other supplies; and
 - iii. an unfavourable variance in other operating disbursements relating to property lease payments to the Province of British Columbia that were not included in the forecast;
- c. the favourable variance in capital expenditures relates to delays in the commencement of certain projects, including updates to the tailings disposal facility and generator repairs;
- d. while restructuring professional fees have been lower than forecast, a portion of the favourable variance is driven by timing of payment of invoices. A summary of the professional fee disbursements incurred since the commencement of the CCAA Proceedings is set out in the table below:

Professional Fee Summary						
Seventy-Eight Week Period Ending June 13, 2025						
(CAD\$ thousands)						
Firm	Role		Fees	Disbursements	Taxes	Total
FTI Consulting Canada Inc.	Monitor	\$	1,371	\$ 21	\$ 66	1,458
Blake, Cassels & Graydon LLP	Monitor's Counsel		405	0	40	445
Gowling WLG	Company's Counsel		3,224	17	388	3,629
FTI Capital Advisors	Financial Advisor		916	-	46	962
Total		\$	5,916	\$ 39	\$ 539	6,493

NINTH CASH FLOW FORECAST

35. The Petitioner has prepared the Ninth Cash Flow Forecast to set out the liquidity requirements of MFM during the Stay Extension (the “**Forecast Period**”). A copy of the Ninth Cash Flow Forecast is attached as Appendix “**B**”.

36. The Ninth Cash Flow Statement is summarized in the following table:

Myra Falls Mine Ltd.			
Ninth Cash Flow Forecast			
Ninty-Eight Week Period Ending October 31, 2025	Weeks 1-78	Weeks 79-98	
(CAD\$ thousands)	Actual	Forecast	Total
Operating Receipts			
Sales	\$ 7,130	\$ -	\$ 7,130
Other receipts	9,696	-	9,696
Total Operating Receipts	16,826	-	16,826
Operating Disbursements			
Payroll and Benefits	(22,054)	(2,976)	(25,030)
Consultants and Contractors	(13,228)	(2,432)	(15,660)
Pension Fund Contributions	20	(58)	(39)
Fuel	(1,931)	(269)	(2,200)
Materials and Supplies	(2,680)	(454)	(3,134)
Leases	(1,476)	(423)	(1,899)
Reclamation	-	-	-
Other operating disbursements	(8,534)	(2,310)	(10,844)
Total Operating Disbursements	(49,885)	(8,922)	(58,807)
Net Change in Cash from Operations	(33,059)	(8,922)	(41,981)
Non-Operating Items			
Capital Expenditures	(235)	(729)	(964)
Impact Benefit Agreement	(1,077)	(161)	(1,238)
Restructuring Professional Fees	(6,493)	(2,381)	(8,875)
Administrative Expense Amount	-	(100)	(100)
Net Change in Cash from Non-Operating Items	(7,806)	(3,371)	(11,177)
Financing			
Interim Financing	41,500	9,628	51,128
Net Change in Cash from Financing	41,500	9,628	51,128
Effect of Foreign Exchange Translation	(18)	-	(18)
Net Change in Cash	618	(2,665)	(2,047)
Opening Cash	2,047	2,665	2,047
Ending Cash	\$ 2,665	\$ -	\$ -

37. The Ninth Cash Flow Forecast is based on the following key assumptions:

- a. the mine is not currently in production and there are no anticipated receipts during the Forecast Period;
- b. payroll and benefits reflect the remaining employees used to support care and maintenance activities and includes a payout of vacation balances owing at the end of September 2025;
- c. consultants and contractors include supporting safety, regulatory and environmental services as well as asset maintenance contractors;
- d. pension fund contributions relate to the correction of certain over and under-contributions identified by the Petitioner to its defined contribution pension plan;
- e. leases relate to certain machinery and equipment that MFM continues to use for care and maintenance activities as well as payment of the Discovery Lease in late June 2025;
- 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 includes other overhead costs, such as information technology and human resources as well as property taxes and payments related to reclamation bond and insurance premiums;
- h. payments to the Wei Wai Kum and We Wai Kai First Nations in respect of the IBA 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. the Administrative Expense Amount is the amount that is to be paid to the Monitor on the Closing Date and held by the Monitor to wind-down the CCAA Proceedings and administer the bankruptcy of Residual Co.;
- k. it is assumed that the Petitioner will draw a total of \$51.5 million under the DIP Facility during the Forecast Period, of which \$9.6 million will be drawn during the proposed extension; and
- l. all interest and fees pertaining to the DIP Facility are forecast to be paid in kind.

STAY EXTENSION

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

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

- a. the Petitioner requires time to close the Transactions relating to the Amended Subscription Agreement and terminate these CCAA Proceedings;
- b. the Ninth Cash Flow Forecast forecasts that the increased DIP Facility will provide the Petitioner sufficient liquidity for the term of the proposed Stay Extension;
- c. there will be no material prejudice to the Petitioner's creditors and other stakeholders as a result of the Stay Extension;
- d. MFM's overall prospects of effecting a viable restructuring will be enhanced by the Stay Extension; and
- e. the Petitioner is acting in good faith and with due diligence.

CONCLUSIONS AND RECOMMENDATIONS

40. The RVO, in conjunction with the Stay Extension Order, will allow for the Petitioner to complete the Transactions, which will preserve the potential for a future restart of mining operations and will bring these CCAA Proceedings to a conclusion.

41. Based on the foregoing, the Monitor respectfully recommends that this Honourable Court grant the following:

- a. the RVO; and
- b. the Stay Extension Order.

All of which is respectfully submitted this June 30, 2025.

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



Paul Bishop
Senior Managing Director



Tom Powell
Senior Managing Director

Appendix A

Amended Subscription Agreement

AMENDED AND RESTATED SUBSCRIPTION AGREEMENT

MYRA FALLS MINE LTD.

AS THE COMPANY

-AND-

TRAFIGURA HOLDING S.À R.L.

AS PURCHASER

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THIS AMENDED AND RESTATED SUBSCRIPTION AGREEMENT is made as of June 26, 2025.

BETWEEN:

MYRA FALLS MINE LTD. (the "Company")

-and-

TRAFIGURA HOLDING S.À R.L. (the "Purchaser")

RECITALS:

- A. The Company owns the Myra Falls Mine (the "Mine"), a mine located in Strathcona Provincial Park near Campbell River on Vancouver Island, British Columbia. The Mine is primarily a zinc mine but also produces copper concentrate, lead concentrate and a minimal amount of gold concentrate (the "Business").
- B. On December 18, 2023, the Company commenced proceedings under the CCAA (as hereinafter defined) before the Supreme Court of British Columbia (the "CCAA Court") to, among other things, seek creditor protection for, and certain relief in respect of, the Company.
- C. On April 4, 2025 the Company obtained an order (the "Second SISP Order") from the CCAA Court approving, among other things, the Second SISP (as hereinafter defined).
- D. Pursuant to the Second SISP, the Purchaser was selected as the stalking horse bidder. On June 11, 2025, the Purchaser was selected as the successful bidder pursuant to the Second SISP and as such, the Purchaser has agreed to subscribe for, and the Company has agreed to issue, the Purchased Shares on and pursuant to the terms set forth herein.
- E. The Company and the Purchaser entered into a stalking horse purchase agreement dated May 31, 2025 (the "Original Stalking Horse Agreement") on substantially the same terms and conditions as set forth herein.
- F. The Company and the Purchaser entered into this amended and restated subscription agreement to amend and restate the Original Stalking Horse Agreement in its entirety.

NOW THEREFORE, the Parties agree as follows:

**ARTICLE 1
INTERPRETATION**

1.1 Definitions

In this Agreement,

"Administration Charge" has the meaning given to it in the Initial Order.

"Administrative Expense Amount" means cash in the amount of \$100,000, which shall be paid to the Monitor on the Closing Date and held by the Monitor for the benefit of Persons entitled to be paid the Administrative Expense Costs, subject to the terms hereof.

"Administrative Expense Costs" means the reasonable and documented costs and expenses for services performed by the Monitor and its legal counsel after the Closing Date in connection with the CCAA Proceedings, the administration of such proceedings to their conclusion and this Agreement, including the bankruptcy of Residual Co., to the extent such amount has not been pre-funded under the DIP Facility Term Sheet prior to the Closing Date.

"Affiliate" means, with respect to any specified Person, any other Person which, directly or indirectly, through one or more intermediaries controls, or is controlled by, or is under common control with, such specified Person (for the purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with"), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise). For greater certainty, an Affiliate of a Person shall include such Person's investment funds and managed accounts and any funds managed or directed by the same investment advisor.

"Agreement" means this amended and restated subscription agreement and all schedules and exhibits, in each case as the same may be supplemented, amended, restated or replaced from time to time, and the expressions "hereof", "herein", "hereto", "hereunder", "hereby" and similar expressions refer to this amended and restated subscription agreement and all attached schedules and exhibits, and unless otherwise indicated, references to Articles, Sections, Schedules and Exhibits are to Articles, Sections, Schedules and Exhibits in this amended and restated subscription agreement.

"Applicable Law" means any transnational, domestic or foreign, federal, provincial, territorial, state, local or municipal (or any subdivision of any of them) law (including common law and civil law), statute, ordinance, rule, regulation, restriction, limit, by-law (zoning or otherwise), judgment, order, direction or any consent, exemption, Transaction Regulatory Approval, or any other legal requirements of, or agreements with, any Governmental Authority, that applies in whole or in part to the transactions contemplated by this Agreement, the Company, the Purchaser, the Business, or any of the Purchased Shares or the Retained Liabilities.

"Approval and Reverse Vesting Order" means an order substantially in the form attached hereto as Schedule 1.1(a), or in a form otherwise agreed upon by the Purchaser and the Company, in their discretion.

"Articles of Amendment" means, to the extent required, articles of amendment or reorganization in respect of the Company's authorized and issued capital to create a new class of shares of the Company and effecting such other changes to the articles of the Company in order to consummate the transactions pursuant to this Agreement, such articles of amendment to be in form and substance satisfactory to the Purchaser, acting reasonably.

"Business Day" means any day, other than a Saturday or Sunday, on which the principal commercial banks in Vancouver, British Columbia and Houston, Texas are open for commercial banking business during normal banking hours.

"Business" has the meaning given to such term in Recital A.

"Cash Consideration" has the meaning given to such term in Section 3.1(c).

"Causes of Action" means any action, claim, cross claim, third party claim, damage, judgment, cause of action, controversy, demand, right, action, suit, obligation, liability, debt, account, defense, offset, power, privilege, license, lien, indemnity, interest, guaranty, or franchise of any kind or character whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, contingent or non-contingent, liquidated or unliquidated, disputed or undisputed, secured or unsecured, assertable directly or derivatively, matured or unmatured, suspected or unsuspected, in contract or in tort, at law or in equity, or pursuant to any other theory of law or otherwise, of the Company against any Person, in each case based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place on or prior to the Closing Time (which Causes of Action for the avoidance of doubt shall be retained by the Company on Closing).

"CCAA" means the *Companies' Creditors Arrangement Act* (Canada), as amended.

"CCAA Charge Amount" means cash in an amount sufficient to satisfy the amounts owing in respect of obligations secured by the CCAA Charges (without duplication to amounts satisfied as Administrative Expense Costs or by the Priority Payment Amount).

"CCAA Charges" means the Administration Charge and the Directors' Charge.

"CCAA Court" has the meaning given to such term in Recital B.

"CCAA Proceedings" means the proceedings commenced under the CCAA by the Company pursuant to the Initial Order.

"CCAA Process Expense Amount" means cash in an amount equal to the Administrative Expense Amount and the CCAA Charge Amount.

"Claims" means any and all demands, claims, liabilities, actions, causes of action, counterclaims, expenses, costs, damages, losses, suits, debts, sums of money, refunds, accounts, indebtedness, rights of recovery, rights of set-off, rights of recoupment and liens of whatever nature (whether direct or indirect, absolute or contingent, asserted or unasserted, secured or unsecured, matured or not yet matured due or to become due, accrued or unaccrued or liquidated or unliquidated) and including all costs, fees and expenses relating thereto.

"Closing" means the completion of the purchase of the Purchased Shares and the other transactions contemplated by and in accordance with the provisions of this Agreement and the Approval and Reverse Vesting Order.

"Closing Date" means September 30, 2025 or such other date agreed to by the Parties in writing; provided that, if there is to be a Closing hereunder, then the Closing Date shall be no later than the Outside Date.

"Closing Documents" means all contracts, agreements, certificates and instruments required by this Agreement to be delivered at or before the Closing.

"Closing Time" means 10:00 a.m. (Vancouver time) on the Closing Date or such other time on the Closing Date as the Parties agree in writing that the Closing Time shall take place.

"Collective Bargaining Agreement" means the agreement between the Company and Unifor Local 3019 with a term of October 1, 2020 to September 30, 2023.

"Company" has the meaning given to such term in the preamble to this Agreement.

"Common Shares" means the issued and outstanding common shares in the capital of the Company.

"DC Plan" means the Pension Plan for the Employees of Myra Falls Mine Ltd., registered under the PBSA bearing registration number P085886 and under the Tax Act bearing registration number 0536185.

"DIP Facility" means the credit facility in the current maximum principal amount of \$45,000,000, which maximum principal amount is anticipated to increase to \$51,500,000 subject to a further Order of the CCAA Court, made available by the DIP Lender to the Company pursuant to the DIP Facility Term Sheet.

"DIP Facility Term Sheet" means the DIP facility term sheet dated December 17, 2023 between the Company and the DIP Lender as amended pursuant to amendments dated February 16, 2024, June 20, 2024, October 22, 2024, January 22, 2025, March 31, 2025 and June 28, 2025 and as such agreement may be further amended, restated, supplemented and/or otherwise modified from time to time in accordance with the terms thereof.

"DIP Lender" means Trafigura US Inc.

"DIP Repayment Consideration" has the meaning given to such term in Section 3.1(a).

"Directors' Charge" has the meaning given to it in the Initial Order.

"Encumbrance" means any security interest (whether contractual, statutory or otherwise), lien, prior claim, charge, hypothec, reservation of ownership, pledge, encumbrance, mortgage, trust (including any statutory, deemed or constructive trust), option or adverse claim or encumbrance of any nature or kind.

"Equity Interests" means any capital share, capital stock, partnership, membership, joint venture or other ownership or equity interest, participation or securities (whether voting or nonvoting, whether preferred, common or otherwise, and including share appreciation, contingent interest or similar rights) of a Person.

"ETA" means Part IX of the *Excise Tax Act* (Canada).

"Excluded Assets" has the meaning given to such term in Section 2.2.

"Excluded Contracts" means contracts of the Company as specified on Schedule 2.2(c), as such schedule may be supplemented or modified in accordance with Section 2.2(e).

"Excluded Liabilities" has the meaning given to such term in Section 2.4.

"Filing Date" means December 18, 2023.

"Final Order" means with respect to any order or judgment of the CCAA Court, or any other court of competent jurisdiction, with respect to the subject matter addressed in the CCAA Proceedings or the docket of any court of competent jurisdiction, that such order or judgment has not been vacated, set aside, reversed, stayed, modified or amended, and as to which the applicable periods

to appeal, or seek *certiorari* or move for a new trial, reargument, or rehearing has expired and no appeal, leave to appeal, or petition for *certiorari* or other proceedings for a new trial, reargument, or rehearing has been timely taken or filed, or as to which any appeal has been taken or any petition for *certiorari* or leave to appeal that has been timely filed has been withdrawn or resolved in a manner acceptable to the Company and the Purchaser by the highest court to which the order or judgment was appealed or from which leave to appeal or *certiorari* was sought or the new trial, reargument, or rehearing shall have been denied, resulted in no modification of such order or has otherwise been dismissed with prejudice.

"Fundamental Representations and Warranties of the Company" means the representations and warranties of the Company included in Sections 4.1 [Due Authorization and Enforceability of Obligations] and 4.2 [Existence and Good Standing].

"GAAP" means generally accepted accounting principles as set out in the *CPA Canada Handbook – Accounting* for an entity that prepares its financial statements in accordance with International Financial Reporting Standards, at the relevant time, applied on a consistent basis.

"Governmental Authority" means any government, regulatory authority, governmental department, agency, commission, bureau, official, minister, Crown corporation, court, board, tribunal or dispute settlement panel or other law, rule or regulation-making organization or entity (i) having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them, or (ii) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power.

"GST/HST" means all goods and services tax and harmonized sales tax imposed under the ETA.

"Hired Employees" means a Salaried Employee who received and accepted an offer of employment pursuant to Section 8.5(a).

"IBA" means, collectively, (i) the Impact and Benefit Agreement among the Company, Campbell River Indian Band (Wei Wai Kum First Nation) and Cape Mudge Indian Band (We Wai Kai First Nation) dated February 27, 2023, (ii) the IBA Letter Agreement on Support for the Myra Falls Mine in respect of claims by other Indigenous Nations among the same parties dated February 18, 2023, (iii) the IBA Letter Agreement on Bus Transportation and Camp Contracts for the Myra Falls Mine among the same parties dated February 27, 2023, and (iv) the IBA Letter Agreement on Timing of IBA Payments among the same parties dated February 27, 2023.

"ICA" means the *Investment Canada Act* (Canada).

"ICA Clearance" means: (i) the Purchaser has submitted to ISED a completed notification pursuant to Part III of the ICA; (ii) a representative of ISED has certified to the Purchaser in writing that a complete notification was received by ISED, and (iii) either: (A) no notice is given under s. 25.2(1) or 25.3(2) of the ICA within the prescribed period; or, (B) if notice is given under s. 25.2(1) or 25.3(2) of the ICA, then either (a) the responsible Minister or Ministers under the ICA have sent to the Purchaser a notice under s. 25.2(4), s. 25.3(6)(b) or s. 25.3(6)(c), or (b) the Governor in Council has issued an order under s. 25.4(1)(b) of the ICA authorizing the Agreement on terms and conditions acceptable to the Purchaser acting reasonably.

"Implementation Steps" has the meaning given to such term in Section 2.7(b).

"Initial Order" means the initial order dated December 18, 2023 granted by the CCAA Court pursuant to the CCAA as amended and restated by the amended and restated initial order dated December 28, 2023 and as may have been or may in the future be further amended or restated from time to time.

"Intercompany Claims" means any amount, financial obligation, debt or receivable between two (2) or more entities affiliated with the Company and/or the Purchaser whether resulting from transactions involving the transfer of goods, services, loans or any other financial arrangements between entities affiliated with the Company and/or the Purchaser.

"Interim Lender's Charge" has the meaning given to such term in the Initial Order.

"ISED" means Innovation Science and Economic Development Canada.

"Mine" has the meaning ascribed to it in Recital A.

"Mineral Leases" means the mining leases recorded under the *Mineral Tenure Act* (British Columbia) that comprise the Myra Falls Mine project, which leases are described in the figures enclosed in Schedule 1.1(b).

"Minister" means "Minister" as defined in the ICA.

"Monitor's Certificate" means the certificate delivered to the Company and the Purchaser, and to be filed with the CCAA Court, by the Monitor certifying that the Monitor has received written confirmation in form and substance satisfactory to the Monitor, in its sole discretion, from the Company and the Purchaser that all conditions to Closing have been satisfied or waived by the applicable Parties and the transactions contemplated by this Agreement have been completed.

"Monitor" means FTI Consulting Canada Inc. as Court-appointed monitor of the Company in the CCAA Proceedings, and not in its personal or corporate capacity.

"Order" means any order of the Court made in the CCAA Proceedings, or any order, directive, judgment, decree, injunction, decision, ruling, award or writ of any Governmental Authority.

"Original Stalking Horse Agreement" has the meaning ascribed to it in Recital D.

"Outside Date" has the meaning given to such term in Section 10.1(c).

"Parties" means the Company and the Purchaser collectively and **"Party"** means any of the Company or the Purchaser, as the context requires.

"PBSA" means the *Pension Benefits Standards Act* (British Columbia) and the regulations thereunder, as amended from time to time.

"Pension Plans" means The Myra Falls Ltd. Hourly-Paid Employees Pension Plan (registered under the PBSA bearing registration number P085887-1, and under the Tax Act bearing registration number 0566455), and the DC Plan, both of which are administered and sponsored by the Company.

"Permitted Encumbrances" means the Encumbrances listed in Schedule 1.1 (c), as such Schedule may be updated from time to time prior to the service of the application for the Approval and Reverse Vesting Order.

"Person" includes an individual, partnership, firm, joint venture, venture capital fund, limited liability company, unlimited liability company, association, trust, entity, corporation, unincorporated association, or organization, syndicate, committee, court appointed representative, the government of a country or any political subdivision thereof, or any agency, board, tribunal, commission, bureau, instrumentality, or department of such government or political subdivision, or any other entity, howsoever designated or constituted, including any Taxing Authority, and the trustees, executors, administrators, or other legal representatives of an individual, and for greater certainty includes any Governmental Authority.

"Pre-Closing Unsecured Employee Claim" means any Claim of a current or former employee of the Company or the Union in respect of statutory or contractual notice (except if specifically preserved in Section 8.5(a) hereof), severance, termination, indemnity in lieu of notice or amounts that are akin or in the nature of severance or termination, or damages in lieu thereof, for services provided to the Company prior to the Closing, whether such Claim is due and payable immediately prior to the Closing Date or becomes due and payable on or after the Closing Date, including any such Claim pursuant to Sections 12.05(b) and 12.14 of the Collective Bargaining Agreement.

"Post-Closing Straddle Tax Period" has the meaning given to such term in Section 8.5(c).

"Pre-Closing Straddle Tax Period" has the meaning given to such term in Section 8.5(o).

"Priority Payment Amount" means an amount equal to those priority payments prescribed under subsections 6(3), 6(5)(a) and 6(6) of the CCAA.

"Purchase Price" has the meaning given to such term in Section 3.1.

"Purchased Shares" has the meaning given to such term in Section 2.1(a).

"Purchaser" has the meaning given to such term in the preamble to this Agreement and includes an assignee designated by Trafigura Holding S.à r.l., if any.

"Residual Co." means a corporation to be formed prior to the Closing, such corporation to be in form satisfactory to the Purchaser.

"Restructuring Period Claim" means any Claim owed by the Company arising out of the restructuring, disclaimer, rescission, termination or breach by the Company on or after the Filing Date of any contract, lease or other agreement, whether written or oral.

"Restructuring Period D&O Claim" means any Claim against one or more of the directors or officers of the Company arising on or after the Filing Date, whether or not such right or Claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including any assessments and any right or ability of any Person to advance a Claim for contribution, indemnity or otherwise against any of such directors and/or officers with respect to any matter, action, cause or chose in action, whether existing at present or arising or

commenced in the future, for which any such director or officer is alleged to be, by statute or otherwise by law or equity, liable to pay in his or her capacity as a director or officer.

"Retained Liabilities" has the meaning given to such term in Section 2.3.

"Salaried Employee" has the meaning given to such term in Section 8.5(a).

"Second SISP" means the second sale and investment solicitation process approved by the Second SISP Order, as may be amended by the CCAA Court from time to time, which must be acceptable to the Purchaser, acting reasonably.

"Second SISP Order" has the meaning ascribed to it in Recital C.

"Stalking Horse Bid" has the meaning given to such term in the Second SISP.

"Straddle Period" has the meaning given to such term in Section 8.5(c).

"Straddle Period Tax Returns" has the meaning given to such term in Section 8.5(d).

"Successful Bid(s)" has the meaning given to such term in the Second SISP.

"Successful Bidder(s)" has the meaning given to such term in the Second SISP.

"Tax" and **"Taxes"** means taxes, duties, fees, premiums, assessments, imposts, levies and other charges of any kind whatsoever (including withholding on amounts paid to or by any Person) imposed by any Taxing Authority, including all interest, penalties, fines, additions to tax or other additional amounts imposed by any Taxing Authority in respect thereof, and including those levied on, or measured by, or referred to as, income, gross receipts, profits, capital, transfer, land transfer, GST/HST, value added, consumption, sales, use, excise, stamp, withholding, business, franchising, escheat, property, development, occupancy, employer health, payroll, employment, health, disability, severance, unemployment, social services, education and social security taxes, all surtaxes, all customs duties and import and export taxes, countervail and anti-dumping, all license, franchise and registration fees and all employment insurance, health insurance and Canada, Ontario, and other government pension plan premiums or contributions.

"Tax Act" means the *Income Tax Act* (Canada) and shall also include a reference to any applicable and corresponding provisions under the income tax laws of a province or territory of Canada, as applicable.

"Tax Return" means any return, declaration, report, statement, information statement, form, election, amendment, claim for refund, schedule or attachment thereto or other document filed or required to be filed with a Taxing Authority with respect to Taxes.

"Taxing Authorities" means His Majesty the King in right of Canada, His Majesty the King in right of any province or territory of Canada, the Canada Revenue Agency, any similar revenue or taxing authority of Canada and each and every province or territory of Canada and any political subdivision thereof, and any Canadian or other Governmental Authority exercising taxing authority or power, and **"Taxing Authority"** means any one of the Taxing Authorities.

"TCL Offtake Agreements" means all concentrate off-take agreements between the Company and Trafigura Canada Limited for concentrates produced at the Mine.

"Terminated Employees" means those Salaried Employees currently employed by the Company who have not been offered employment by the Purchaser prior to Closing in accordance with Section 8.5(b), or those Salaried Employees who decline or do not respond to an offer or employment from the Purchaser and shall be terminated by the Company effective as of the Closing Date pursuant to Section 8.5(o).

"Transaction Regulatory Approvals" means any license, permits, security clearances, approvals and/or grants required from any Governmental Authority or under any Applicable Laws relating to the business and operations of the Company or the Purchaser that would be required to be obtained in order to permit the Company and the Purchaser to complete the transactions contemplated by this Agreement and for the Company to carry on the Business following the Closing Date.

"Union" means UNIFOR Local 3019.

"Wharf Lease" means, collectively, (i) the Lease agreement among the Company and Campbell River Indian Band effective as of January 1, 2022, and (ii) the letter agreement among the Company and Wei Wai Kum First Nation (Campbell River Indian Band) dated February 23, 2023 regarding potential future removal of the Argonaut Wharf.

1.2 Statutes

Except as otherwise provided in this Agreement, any reference in this Agreement to a statute refers to such statute and all rules and regulations made under it, as it or they may have been or may from time to time be amended, re-enacted or replaced.

1.3 Headings, Table of Contents, etc.

The provision of a table of contents, the division of this Agreement into Articles, Sections and other subdivisions and the insertion of headings are for convenient reference only and do not affect the interpretation of this Agreement. The recitals to this Agreement are an integral part of this Agreement.

1.4 Gender and Number

In this Agreement, unless the context otherwise requires, words importing the singular include the plural and vice versa, and words importing gender include all genders.

1.5 Currency

Except where otherwise expressly provided, all amounts in this Agreement are stated and shall be paid in Canadian dollars. References to "\$" are to Canadian dollars.

1.6 Certain Phrases

In this Agreement (i) the words "including", "includes" and "include" and any derivatives of such words mean "including (or includes or include) without limitation" and (ii) the words "the aggregate of", "the total of", "the sum of", or a phrase of similar meaning means "the aggregate (or total or sum), without duplication, of". The expression "Article", "Section" and other subdivision followed by a number, mean and refer to the specified Article, Section or other subdivision of this Agreement.

1.7 Invalidity of Provisions

Each of the provisions contained in this Agreement is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon (i) such a determination of invalidity or unenforceability or (ii) any change in Applicable Law or other action by any Governmental Authority which materially detracts from the legal or economic rights or benefits, or materially increases the obligations, of any Party or any of its Affiliates under this Agreement, the Parties shall negotiate to modify this Agreement in good faith so as to effect the original intent of the Parties as closely as possible in an acceptable manner so that the transactions contemplated by this Agreement be consummated as originally contemplated to the fullest extent possible.

1.8 Entire Agreement

This Agreement and the agreements and other documents required to be delivered pursuant to this Agreement, constitute the entire agreement among the Parties, and set out all the covenants, promises, warranties, representations, conditions and agreements among the Parties in connection with the subject matter of this Agreement, and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, pre-contractual or otherwise. There are no covenants, promises, warranties, representations, conditions, understandings or other agreements, whether oral or written, pre-contractual or otherwise, express, implied or collateral among the Parties in connection with the subject matter of this Agreement, except as specifically set forth in this Agreement and any document required to be delivered pursuant to this Agreement.

1.9 Waiver, Amendment

Except as expressly provided in this Agreement, no amendment or waiver of this Agreement shall be binding unless executed in writing by all Parties hereto, and provided that such amendment is consented to by the Monitor. No waiver of any provision of this Agreement shall constitute a waiver of any other provision nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

1.10 Governing Law; Jurisdiction and Venue

This Agreement, the rights and obligations of the Parties under this Agreement, and any Claim or controversy directly or indirectly based upon or arising out of this Agreement or the transactions contemplated by this Agreement (whether based on contract, tort or any other theory), including all matters of construction, validity and performance, shall in all respects be governed by, and interpreted, construed and determined in accordance with, the laws of the Province of British Columbia and the federal laws of Canada applicable therein, without regard to the conflicts of law principles thereof. The Parties consent to the exclusive jurisdiction and venue of the CCAA Court for the resolution of any such disputes arising under this Agreement. Each Party agrees that service of process on such Party as provided in Section 12.7 shall be deemed effective service of process on such Party.

1.11 Incorporation of Schedules

Any schedule (or exhibit attached thereto) attached to this Agreement is an integral part of this Agreement.

The Parties acknowledge that as of the date of this Agreement, the Schedules to this Agreement are not finalized. Such Schedules, where applicable, may be amended or completed by the Purchaser by written notice to the Company, and in consultation with the Monitor, on or before the dates set out in this Agreement.

1.12 Accounting Terms

All accounting terms used in this Agreement are to be interpreted in accordance with Canadian GAAP unless otherwise specified.

1.13 Non-Business Days

Whenever payments are to be made or an action is to be taken on a day which is not a Business Day, such payment will be made or such action will be taken on or not later than the next succeeding Business Day.

1.14 Computation of Time Periods

If any action may be taken within, or any right or obligation is to expire at the end of, a period of days under this Agreement, then the first day of the period is not counted, but the day of its expiry is counted.

1.15 Amendment and Restatement

This amended and restated subscription agreement amends and restates the Original Stalking Horse Agreement in its entirety effective as of the date hereof.

**ARTICLE 2
SUBSCRIPTION****2.1 Agreement to Subscribe for and Issue Purchased Shares**

- (a) Upon and subject to the terms and conditions of this Agreement, at the Closing and effective as of the Closing Time, and subject to the completion of the Implementation Steps required to be completed prior to the Closing Time, the Company shall issue to the Purchaser, and the Purchaser shall subscribe for that number of shares in the share capital of the Company from treasury, to be specified by the Purchaser at least two (2) days prior to Closing, which shares shall be issued as fully paid and non-assessable and shall be free and clear of all Encumbrances (the "Purchased Shares").

- (b) Pursuant to the Approval and Reverse Vesting Order and, if required, the Articles of Amendment, in accordance with the Implementation Steps, all Equity Interests of the Company outstanding prior to the Issuance of the Purchased Shares, other than the Purchased Shares, shall be cancelled, without consideration, and the Purchased Shares shall represent 100% of the outstanding Equity Interests in the Company after such cancellation and issuance.
- (c) For the avoidance of doubt, upon the Closing and after the completion of the Implementation Steps, the Company shall be a wholly owned subsidiary of the Purchaser.

2.2 Excluded Assets

Notwithstanding any provision of this Agreement to the contrary, as of the Closing, the assets of the Company shall not include any of the following assets, together with any other assets as set forth on Schedule 2.2 (collectively, the "Excluded Assets"):

- (a) the Cash Consideration;
- (b) the Tax records and returns, and books and records pertaining thereto and other documents, in each case, that primarily or solely relate to any of the Excluded Liabilities or Excluded Assets, provided that the applicable Purchased Entity may take copies of all Tax records and books and records pertaining to such records to the extent necessary or useful for the carrying on of the Business after Closing, including the filing of any Tax Return;
- (c) the Excluded Contracts;
- (d) any rights which accrue to Residual Co. under the transaction documents; and
- (e) any other asset, including contracts and leases, identified by the Purchaser to the Company in writing as an Excluded Asset or an Excluded Contract prior to the service of the application for the Approval and Reverse Vesting Order.

2.3 Retained Liabilities

Pursuant to this Agreement and the Approval and Reverse Vesting Order, as of the Closing Time, in accordance with Section 2.6 hereof, the only obligations and liabilities of the Company shall consist of only the items specifically set forth below (collectively, the "Retained Liabilities"):

- (a) the post-filing Claims set out in Schedule 2.3;
- (b) liabilities of the Company that relate to the period and arise from and after Closing. For greater certainty, Claims related to goods or services provided to the Company in the period prior to Closing, including any Pre-Closing Unsecured Employee Claim are not Retained Liabilities unless specifically listed in Schedule 2.3;
- (c) Tax liabilities of the Company for any period, or the portion thereof, beginning on or after the Closing Date; and

- (d) those specific Retained Liabilities set forth in Schedule 2.3 (which schedule can be amended by the Purchaser at any time prior to the service of the application for the Approval and Reverse Vesting Order).

2.4 Excluded Liabilities

Except as expressly retained pursuant to, or specifically contemplated by, Section 2.3, all Claims and all debts, obligations and liabilities of the Company or any predecessor thereof, of any kind or nature, shall be assigned to, and become the sole obligation of, Residual Co. pursuant to the terms of the Approval and Reverse Vesting Order and this Agreement, and, as of the Closing Date, the Company shall not have any obligation, duty or liability of any kind whatsoever, except as expressly retained pursuant to Section 2.3, whether accrued, contingent, known or unknown, express or implied, primary or secondary, direct or indirect, liquidated, unliquidated, absolute, accrued, contingent or otherwise, and whether due or to become due, and such liabilities or obligations shall be the sole responsibility of Residual Co., including *inter alia*, the non-exhaustive list of those certain liabilities set forth in Schedule 2.4 and any and all liability relating to any change of control provision that may arise in connection with the change of control contemplated by the transactions hereunder and to which the Company may be bound as at Closing, all liabilities relating to or under the Excluded Contracts and Excluded Assets, liabilities for employees whose employment with the Company is terminated on or before Closing, including the Terminated Employees, the Restructuring Period Claims and the Restructuring Period D&O Claims (collectively, the "Excluded Liabilities"). The Purchaser may, with the consent of the Company and the Monitor, which consent shall not be unreasonably withheld, amend the clarifying items listed in Schedule 2.4 as specifically enumerated Excluded Liabilities at any time prior to the service of the application for the Approval and Reverse Vesting Order.

2.5 Transfer of Excluded Liabilities to Residual Co.

On the Closing Date, pursuant to the terms of the Approval and Reverse Vesting Order, the Company shall assign and transfer the Excluded Liabilities to Residual Co., and Residual Co. shall assume the Excluded Liabilities for the consideration set out in Section 2.6. All of the Excluded Liabilities shall be discharged from the Company as of the Closing pursuant to the Approval and Reverse Vesting Order.

2.6 Transfer of Excluded Assets to Residual Co.

On the Closing Date, pursuant to the terms of the Approval and Reverse Vesting Order and in consideration for Residual Co. assuming the Excluded Liabilities pursuant to Section 2.5 of this Agreement, the Company shall assign and transfer the Excluded Assets to Residual Co. and the Excluded Assets shall vest in Residual Co. pursuant to the Approval and Reverse Vesting Order.

2.7 Pre-Closing and Closing Reorganization

- (a) The specific mechanism for implementing the Closing, payment of the DIP Repayment Consideration and Cash Consideration and the structure of the transactions contemplated by this Agreement shall be structured in a tax efficient manner mutually agreed upon by the Parties, each acting reasonably.
- (b) On or prior to the Closing Date, the Company shall effect the transaction steps and pre-closing reorganization (collectively, the "Implementation Steps") as set forth on Schedule 2.7(b) to be agreed upon by the Company and the Purchaser, each

acting reasonably, and in consultation with the Monitor, at least two (2) days prior to the Closing Date; provided that in no event will the Implementation Steps described in Schedule 2.7(b) be materially prejudicial to the interests of the Purchaser or the Company under the other sections of this Agreement.

- (c) The Implementation Steps, including the compromises and releases to be effective on the Closing Date, shall occur, and be deemed to have occurred in the order, manner and at such time to be set out in Schedule 2.7(b).

ARTICLE 3 PURCHASE PRICE AND RELATED MATTERS

3.1 Purchase Price

The total aggregate consideration payable by the Purchaser for the Purchased Shares (the "Purchase Price") is equal to:

- (a) an amount equal to all outstanding amounts under the DIP Facility Term Sheet as of the Closing Date (the "DIP Repayment Consideration");
- (b) the CCAA Process Expense Amount; and
- (c) the Priority Payment Amount (the amounts in (b), and (c) together, the "Cash Consideration").

3.2 Satisfaction of Purchase Price

The DIP Repayment Consideration shall be paid and satisfied on the Closing Date by the Purchaser paying the DIP Repayment Consideration to the Company or as the Company may direct.

The Cash Consideration shall be paid and satisfied on the Closing Date by the Purchaser paying the Cash Consideration to the Company, it being understood that, in the order and manner contemplated by the Implementation Steps, in connection with the Closing, the Cash Consideration will be transferred from the Company to Residual Co. as an Excluded Asset in accordance with Section 2.2 hereof.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company represents and warrants to the Purchaser as follows and acknowledges that the Purchaser is relying upon the following representations and warranties in connection with its subscription for the Purchased Shares:

4.1 Due Authorization and Enforceability of Obligations

Subject to the granting of the Approval and Reverse Vesting Order, this Agreement has been duly authorized, executed and delivered by it, and constitutes a legal, valid and binding obligation of it, enforceable against it in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, or other similar laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability.

4.2 Existence and Good Standing

The Company is validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization and (i) has all requisite power and authority to execute and deliver this Agreement and (ii) has taken all requisite corporate or other action necessary for it to execute and deliver this Agreement and to perform its obligations hereunder and consummate the transactions contemplated hereunder.

4.3 No Actions

There is not, as of the date hereof, pending or, to the Company's knowledge, threatened against the Company or any of its property, nor has the Company received any written notice in respect of, any Claim, potential Claim, litigation, action, suit, arbitration, investigation or other proceeding before any Governmental Authority or legislative body, other than the CCAA Court, that, would prevent the Company from executing and delivering this Agreement, performing its obligations hereunder and consummating the transactions and agreements contemplated by this Agreement.

4.4 Tax

Schedule 4.4 sets forth a complete and correct list of the jurisdiction of organization and Tax registrations of the Company. The Company is validly registered for the collection and payment of all Taxes as required under Applicable Law. All Taxes reported on the Tax Returns and any related notices of assessment or reassessment of the Company for all of its Tax periods ending on or prior to the Closing Date have been duly and timely paid. The Company has withheld and has duly and timely remitted, or shall duly and timely remit, to the appropriate Taxing Authority all Taxes required by Applicable Law to be withheld or deducted.

4.5 Issued and Outstanding Common Shares

The authorised share capital of the Company consists of an unlimited number of common shares, of which 135,993,801 Common Shares are issued and outstanding as at the date of this Agreement. There are no other outstanding Equity Interests of the Company, including rights, options, warrants, agreements or other securities of the Company providing for the purchase, subscription, allotment or issuance of any of the unissued Common Shares.

ARTICLE 5 REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

The Purchaser represents and warrants to the Company as follows, and acknowledges that the Company is relying upon the following representations and warranties in connection with its issuance of the Purchased Shares:

5.1 Due Authorization and Enforceability of Obligations

This Agreement has been duly authorized, executed and delivered by the Purchaser, and, assuming the due authorization, execution and delivery by it, this Agreement constitutes a legal, valid and binding obligation of it, enforceable against it in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, or other similar laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability.

5.2 Existence and Good Standing

The Purchaser is validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization and has all requisite power and authority to execute and deliver this Agreement and to perform its obligations hereunder and consummate the transactions contemplated by this Agreement.

5.3 Absence of Conflicts

The execution and delivery of this Agreement by the Purchaser and the completion by the Purchaser of its obligations hereunder and the consummation of the transactions contemplated herein do not and will not violate or conflict with any Applicable Law, or any of its properties or assets, (subject to the receipt of any applicable Transaction Regulatory Approvals) and will not result (with due notice or the passage of time or both) in a violation, conflict or breach of, or constitute a default under, or require any consent to be obtained under its certificate of incorporation, articles, by-laws or other constituent documents.

5.4 Approvals and Consents

The execution and delivery of this Agreement by the Purchaser, the completion by the Purchaser of its obligations hereunder and the consummation by the Purchaser of the transactions contemplated herein, do not and will not require any consent, approval or other action, with or by, any Governmental Authority, other than as contemplated by the applicable Transaction Regulatory Approvals and the granting of the Approval and Reverse Vesting Order by the CCAA Court.

5.5 No Actions

There is not, as of the date hereof, pending or, to the Purchaser's knowledge, threatened against it or any of its property, nor has the Purchaser received notice in respect of any Claim, potential Claim, litigation, action, suit, arbitration, investigation or other proceeding before any Governmental Authority or legislative body, other than the CCAA Court, that, would prevent it from executing and delivering this Agreement, performing its obligations hereunder and consummating the transactions and agreements contemplated by this Agreement.

5.6 DIP Repayment Consideration and Cash Consideration; Availability of Funds

The Purchaser will have on Closing sufficient unrestricted funds and financial capacity to consummate the transactions contemplated by this Agreement, including payment of the DIP Repayment Consideration and Cash Consideration.

ARTICLE 6 AS IS, WHERE IS

The Purchaser acknowledges and agrees that it has conducted to its satisfaction an independent investigation and verification of the Business, the Purchased Shares, the Retained Liabilities and all related operations of the Company, and, based solely thereon and the advice of its financial, legal and other advisors, has determined to proceed with the transactions contemplated by this Agreement. The Purchaser has relied solely on the results of its own independent investigation and verification and, except for the representations and warranties of the Company expressly set forth in Article 4, the Purchaser understands, acknowledges and agrees that all other

representations, warranties, conditions and statements of any kind or nature, expressed or implied (including any relating to the future or historical financial condition, results of operations, prospects, assets or liabilities of the Company or the Business, or the quality, quantity or condition of the Purchased Shares) are specifically disclaimed by the Company, its financial and legal advisors and the Monitor and its legal counsel. THE PURCHASER SPECIFICALLY ACKNOWLEDGES AND AGREES THAT, EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES OF THE COMPANY EXPRESSLY AND SPECIFICALLY SET FORTH IN Article 4: (A) THE PURCHASER IS ACQUIRING THE PURCHASED SHARES ON AN "AS IS, WHERE IS" BASIS; AND (B) NONE OF THE COMPANY, THE MONITOR OR ANY OTHER PERSON (INCLUDING ANY REPRESENTATIVE OF EITHER OF THE COMPANY OR THE MONITOR WHETHER IN ANY INDIVIDUAL, CORPORATE OR ANY OTHER CAPACITY) IS MAKING, AND THE PURCHASER IS NOT RELYING ON, ANY REPRESENTATIONS, WARRANTIES, CONDITIONS OR OTHER STATEMENTS OF ANY KIND WHATSOEVER, WHETHER ORAL OR WRITTEN, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, AS TO ANY MATTER CONCERNING THE COMPANY, THE BUSINESS, THE PURCHASED SHARES, THE RETAINED LIABILITIES, THE EXCLUDED ASSETS, THE EXCLUDED LIABILITIES, THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, OR THE ACCURACY OR COMPLETENESS OF ANY INFORMATION PROVIDED TO (OR OTHERWISE ACQUIRED BY) THE PURCHASER OR ANY OF ITS RESPECTIVE REPRESENTATIVES, INCLUDING WITH RESPECT TO MERCHANTABILITY, PHYSICAL OR FINANCIAL CONDITION, DESCRIPTION, FITNESS FOR A PARTICULAR PURPOSE, OR IN RESPECT OF ANY OTHER MATTER OR THING WHATSOEVER, INCLUDING ANY AND ALL CONDITIONS, WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, PURSUANT TO ANY APPLICABLE LAWS IN ANY JURISDICTION, WHICH THE PURCHASER CONFIRMS DO NOT APPLY TO THIS AGREEMENT, AND ARE HEREBY WAIVED IN THEIR ENTIRETY BY THE PURCHASER.

ARTICLE 7 CONDITIONS

7.1 Conditions for the Benefit of the Purchaser and the Company

The respective obligations of the Purchaser and the Company to consummate the transactions contemplated by this Agreement are subject to the satisfaction of, or compliance with, at or prior to the Closing Time, each of the following conditions:

- (a) *No Law* – no provision of any Applicable Law and no Order preventing or otherwise frustrating the consummation of the purchase of the Purchased Shares or any of the other transactions pursuant to this Agreement;
- (b) *Final Orders* – each of the Second SISP Order and the Approval and Reverse Vesting Order shall have been issued and entered and shall be Final Orders;
- (c) *Successful Bid* – this Agreement will be the Successful Bid (as determined pursuant to the Second SISP);
- (d) *Transaction Regulatory Approvals* – The Parties shall have received the required Transaction Regulatory Approvals set forth in Schedule 7.1(d), and all such Transaction Regulatory Approvals shall be in full force and effect, except for Transaction Regulatory Approvals that need not be in full force and effect prior to Closing; and

- (e) *New Credit Agreement* – The Company and the Purchaser or an Affiliate thereof shall have entered into a new credit agreement on terms and substance satisfactory to the Purchaser.

The Parties acknowledge that the foregoing conditions are for the mutual benefit of each of the Company and the Purchaser. Any condition in this Section 7.1 may be waived by the Company or the Purchaser, in whole or in part, without prejudice to any of their respective rights of termination in the event of non-fulfillment of any other condition in whole or in part. Any such waiver will be binding on the Company or the Purchaser, as applicable, only if made in writing.

7.2 Conditions for the Benefit of the Purchaser

The obligation of the Purchaser to consummate the transactions contemplated by this Agreement is subject to the satisfaction of, or compliance with, or waiver by the Purchaser of, at or prior to the Closing Time, each of the following conditions (each of which is acknowledged to be for the exclusive benefit of the Purchaser):

- (a) *Performance of Covenants* – the covenants contained in this Agreement to be performed or complied with by the Company at or prior to the Closing Time shall have been performed or complied with in all material respects as at the Closing Time;
- (b) *Truth of Representations and Warranties* – (i) the Fundamental Representations and Warranties of the Company shall be true and correct in all respects as of the Closing Date, as if made at, and as of, such date (except for *de minimus* inaccuracies) and (ii) all other representations and warranties of the Company contained in Article 4 shall be true and correct in all respects as of the Closing Date, as if made at, and as of, such date (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date) except where the failure to be so true and correct would not, in the aggregate, have a material adverse effect;
- (c) *Officer's Certificates* – The Purchaser shall have received a certificate confirming the satisfaction of the conditions contained in Sections 7.2(a) (*Performance of Covenants*) and 7.2(b) (*Truth of Representations and Warranties*), signed for and on behalf of the Company by an executive officer of the Company or other Persons acceptable to the Purchaser, without personal liability, in each case in form and substance reasonably satisfactory to the Purchaser;
- (d) *Company's Deliverables* – the Company shall have delivered to the Purchaser all of the deliverables contained in Section 11.2 in form and substance reasonably satisfactory to the Purchaser;
- (e) *Implementation Steps* – the Company shall have completed the Implementation Steps that are required to be completed prior to Closing, in form and substance reasonably acceptable to the Purchaser, acting reasonably;
- (f) *Terminated Employees* – the Company shall have terminated the employment of the Terminated Employees, and all liabilities owing to any such Terminated Employees in respect of such terminations, including Pre-Closing Unsecured Employee Claims, shall be Excluded Liabilities which, pursuant the Approval and

Reverse Vesting Order, shall be assigned and transferred as against the Company to, and assumed by, Residual Co.; and

- (g) IBA and Wharf Lease– The Company, Campbell River Indian Band (Wei Wai Kum First Nation) and Cape Mudge Indian Band (We Wai Kai First Nation) shall have entered amendments to the IBA and Wharf Lease, in form and substance satisfactory to the Purchaser.

7.3 Conditions for the Benefit of the Company

The obligation of the Company to consummate the transactions contemplated by this Agreement is subject to the satisfaction of, or compliance with, or waiver where applicable by the Company of, at or prior to the Closing Time, each of the following conditions (each of which is acknowledged to be for the exclusive benefit of the Company, as applicable):

- (a) *Truth of Representations and Warranties* – the representations and warranties of the Purchaser contained in Article 5 will be true and correct in all respects on and as of the date of this Agreement and on and as of the Closing Date as if made on and as of such date (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date) except where the failure to be so true and correct would not reasonably be expected to have a material and adverse effect on the Purchaser's ability to consummate the transactions contemplated by this Agreement;
- (b) *Performance of Covenants* – the covenants contained in this Agreement to be performed by the Purchaser at or prior to the Closing Time shall have been performed in all material respects as at the Closing Time;
- (c) *Officer's Certificate* – The Company shall have received a certificate confirming the satisfaction of the conditions contained in Sections 7.3(a) and 7.3(b) signed for and on behalf of the Purchaser without personal liability by an executive officer of the Purchaser or other Persons acceptable to the Company, acting in a commercially reasonable manner, in each case, in form and substance satisfactory to the Company, acting in a commercially reasonable manner; and
- (d) *Purchaser Deliverables* – The Purchaser shall have delivered to the Company all of the deliverables contained in Section 11.3 in form and substance satisfactory to the Company, acting in a commercially reasonable manner.

ARTICLE 8 ADDITIONAL AGREEMENTS OF THE PARTIES

8.1 Access to Information and Property

- (a) Until the Closing Time, the Company, with oversight of the Monitor, shall give to the Purchaser's personnel engaged in the transactions contemplated by this Agreement and its accountants, legal advisers, consultants, financial advisors and representatives during normal business hours reasonable access to its premises and to all of the books, records, and other information relating to the Business, and shall furnish them with all such information relating to the Business, the Company, the Retained Liabilities and the list of employees as Purchaser may reasonably

request in connection with the transactions contemplated by this Agreement, such requests to be made to the Monitor; provided that such access shall be conducted at Purchaser's expense, in accordance with Applicable Law and under supervision of the Monitor or the Company's senior management and in such a manner as to maintain confidentiality, and the Company will not be required to provide access to or copies of any such books and records if: (i) the provision thereof would cause the Company to be in contravention of any Applicable Law; (ii) breach the terms of the Second SISP Order; or (iii) making such information available would: (1) result in the loss of any lawyer-client or other legal privilege; or (2) cause the Company to be found in contravention of any Applicable Law, or contravene any fiduciary duty or agreement (including any confidentiality agreement to which the Company is a party). Notwithstanding anything in this Section 8.1(a) to the contrary, any such investigation shall be conducted upon reasonable advance notice and in such manner as does not materially disrupt the conduct of the Business or the possible sale thereof to any other Person.

- (b) Following the Closing, the Purchaser shall make all books and records of the Company reasonably available to the Monitor and any trustee in bankruptcy of Residual Co. upon at least five (5) Business Days prior notice, for a period of seven (7) years after Closing, and shall, at such Party's expense, permit the Monitor and any trustee in bankruptcy of Residual Co. to take copies thereof as they may determine to be necessary or useful to accomplish their respective role; provided that the Purchaser shall not be obligated to make such books and records available to the extent that doing so would: (i) violate Applicable Law; (ii) jeopardize the protection of a solicitor-client privilege; or (iii) unreasonably interfere with the ongoing business and operations of the Company, as determined by the Purchaser, acting reasonably.

8.2 Regulatory Approvals and Consents

- (a) The Parties shall co-operate with one another and use commercially reasonable efforts to apply for and obtain any Transaction Regulatory Approvals as soon as reasonably practicable and no later than the time limits imposed by Applicable Laws, in accordance with Section 8.3(f).
- (b) The obligations of either Party to use its commercially reasonable efforts to obtain the Transaction Regulatory Approvals does not require either Party (or any Affiliate thereof) to undertake any divestiture of any business or business segment of such Party, to agree to any material operating restrictions related thereto or to incur any material expenditure(s) related therewith; unless agreed to by the Parties.

8.3 Covenants Relating to this Agreement

- (a) Each of the Parties shall perform all obligations required to be performed by the applicable Party under this Agreement, co-operate with the other Party in connection therewith and do all such other acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the transactions contemplated by this Agreement and, without limiting the generality of the foregoing, from the date hereof until the Closing Date, each Party shall:

- (i) negotiate in good faith and use its commercially reasonable efforts to take or cause to be taken all actions and to do, or cause to be done, all things necessary, proper or advisable to satisfy the conditions precedent to the obligations of such Party hereunder (including, where applicable, negotiating in good faith with the applicable Governmental Authorities and/or third Persons in connection therewith), and to cause the fulfillment at the earliest practicable date of all of the conditions precedent to the other Party's obligations to consummate the transactions contemplated hereby; and
 - (ii) not take any action, or refrain from taking any action, or permit any action to be taken or not taken, which would reasonably be expected to prevent, materially delay or otherwise impede the consummation of the transactions contemplated by this Agreement.
- (b) From the date hereof until the Closing Date, Purchaser hereby agrees, and hereby agrees to cause its representatives to, keep the Company informed on a reasonably current basis, and no less frequently than on a weekly basis through teleconference or other meeting, and as reasonably requested by each of the Company or the Monitor, as to the Purchaser's progress in terms of the satisfaction of the conditions precedent contained herein.
- (c) From the date hereof until the Closing Date, the Company agrees, and hereby agrees to cause its representatives to, keep the Purchaser informed on a reasonably current basis, and no less frequently than on a weekly basis through teleconference or other meeting, and as reasonably requested by the Purchaser or the Monitor, as to the Company's progress in terms of the satisfaction of the conditions precedent contained herein.
- (d) Each of the Company and the Purchaser agree to execute and deliver such other documents, certificates, agreements and other writings, reasonably necessary for the consummation of the transactions contemplated by this Agreement, and to take such other actions to consummate or implement as soon as reasonably practicable, the transactions contemplated by this Agreement.
- (e) From the date hereof until the Closing Date, the Company hereby agrees, and hereby agrees to cause its representatives to, promptly notify the Purchaser of any event, condition, or development that has resulted in the inaccuracy in a material respect or material breach of any representation or warranty, covenant or agreement contained in this Agreement.
- (f) Each of the Company and the Purchaser agree to use commercially reasonable efforts to timely prepare and file all documentation and pursue all steps reasonably necessary to obtain any material third-party consents and approvals, including without limitation the Transaction Regulatory Approvals, as may be required in connection with the transaction contemplated by this Agreement.
- (g) The Company agrees to use commercially reasonable efforts to promptly provide all documentation, copies of agreements and information reasonably required by the Purchaser to complete and finalize the Schedules to this Agreement. Such information and documentation shall be provided to the Purchaser on an ongoing

basis following execution of this Agreement and in any event shall be provided to the Purchaser no later than ten (10) days prior to the hearing of the motion to the CCAA Court seeking the Approval and Reverse Vesting Order.

8.4 Tax Matters

- (a) The Purchaser and the Company agree to furnish or cause to be furnished to each other, as promptly as practicable, such information and assistance relating to the Purchased Shares and the Retained Liabilities as is reasonably necessary for the preparation and filing of any Tax Return, claim for refund or other required filings relating to Tax matters, for the preparation for and proof of facts during any Tax audit, for the preparation for any Tax protest, for the prosecution of any suit or other proceedings relating to Tax matters and for the answer to any governmental or regulatory inquiry relating to Tax matters. The Purchaser and the Company also agree to furnish or cause to be furnished to each other, as promptly as practicable, such information and assistance relating to the Purchased Entities, the Purchased Shares and the Retained Liabilities as is reasonably necessary for the Purchaser to acquire them in a tax efficient manner for both the Purchaser and the Company.
- (b) The Purchaser and the Company shall each be responsible for the preparation of their own statements required to be filed under the Tax Act, the ETA, the EA and other Tax forms and returns in accordance with Applicable Law.
- (c) For all purposes under this Agreement for which it is necessary to apportion Taxes in a period which includes (but does not end on) the Closing Date (a "Straddle Period"), all, personal property Taxes and similar *ad valorem* obligations shall be apportioned between the period up to and including the Closing Date (such portion of such Straddle Period, the "Pre-Closing Straddle Tax Period") and the taxable period after the Closing Date (such portion of such Straddle Period, the "Post-Closing Straddle Tax Period"), on a per diem basis. Except as otherwise provided herein, with respect to the Purchased Shares, the Company shall be liable for the proportionate amount of such personal property Taxes and similar *ad valorem* obligations that are attributable to the Pre-Closing Straddle Tax Period, and the Purchaser shall be liable for the proportionate amount of such personal property Taxes and similar *ad valorem* obligations that are attributable to the Post-Closing Straddle Tax Period. For all purposes under this Agreement, in the case of any Tax based upon or related to receipts, sales, use, payroll, or withholding, in respect of any Straddle Period, the portion of such Tax allocable to the Pre-Closing Straddle Tax Period shall be deemed to be the amount that would be payable if the relevant Straddle Period ended on and included the Closing Date. To the extent such closing of the books method is not incorporated under the law of a jurisdiction for particular types of entities, allocations of income among the periods shall be made to replicate the closing of the books method to the maximum extent possible.
- (d) The Purchaser shall (a) cause the Company to prepare, or cause to be prepared, and file, or cause to be filed, all Tax Returns for the Company for all Tax periods ending on or prior to the Closing Date and for which Tax Returns have not been filed as of such date; and (b) cause the Company to duly and timely make or prepare all Tax Returns required to be made or prepared by the Company and to duly and timely file all Tax Returns required to be filed by them for periods beginning before and ending after the Closing Date. All such Tax Returns in

clauses (a) and (b) of this Section 8.5(d) constitute the "Straddle Period Tax Returns". The Company, the Monitor and the Purchaser shall co-operate reasonably with each other and make available to each other in a timely fashion such data and other information as may reasonably be required for the preparation of any Straddle Period Tax Return and the Purchaser shall preserve (or cause the Company to preserve) such data and other information until the expiration of any applicable limitation period under Applicable Law with respect to Taxes. The Purchaser will use commercially reasonable efforts to provide drafts of all Straddle Period Tax Returns required to be prepared by the Purchaser or the Company to the Monitor in advance of their filing with the relevant Taxing Authority. The Purchaser, the Company and the Monitor shall, subject only to Applicable Law, cooperate in considering any amendments to such Tax Returns as the Monitor may request. The Purchaser shall, unless otherwise agreed to by the Company and the Purchaser in writing, cause the Company to make an election pursuant to subsection 256(9) of the Tax Act in respect of the taxation year ending as a result of the acquisition of control of it by the Purchaser.

8.5 Employee Matters

- (a) The Purchaser may but is not obligated to, in the name of the Company, make conditional (upon Closing) offers of employment to some or all of the Company's existing non-unionized salaried employees (each a "Salaried Employee"). The Purchaser has the absolute and sole discretion to determine whether to extend an offer of employment and to set the terms thereof. Such offer of employment, if accepted by a Salaried Employee, shall include a waiver by the Salaried Employee of Pre-Closing Unsecured Employee Claims. For greater certainty, each Hired Employee will be considered a new employee of the Company, with service commencing effective as of the Closing Date, except as required for compliance with the minimum statutory requirements of the British Columbia *Employment Standards Act, 1996*. Should the Company terminate a Hired Employee after the Closing Date, such employee's potential common law termination entitlement shall be calculated on years of service beginning on or after the Closing Date.
- (b) The Purchaser shall make commercially reasonable efforts to make conditional offers of employment in writing to the Salaried Employees it wishes to hire on or prior to the date that is six (6) days prior to the anticipated Closing Date, and leave such offers of employment open for acceptance up to and including two (2) days prior to the Closing Date, provided that the Purchaser notifies the Company, in writing, on or prior to the date that is six (6) days prior to the anticipated Closing Date, of the list of Salaried Employees to whom it has made or intends to make offers of employment.
- (c) In the event:
 - (i) no conditional offer of employment is made to a Salaried Employee by the deadline prescribed in Section 8.5(a) above; or
 - (ii) a Salaried Employee who receives a conditional offer of employment rejects such offer in writing or fails to accept such conditional offer of employment up to and including two (2) days prior to the Closing Date,

such employee shall be deemed to be a "Terminated Employee" and the Company shall terminate such Terminated Employee effective upon the Closing Date.

- (d) Notwithstanding the fact that the Collective Bargaining Agreement is not an Excluded Contract, nothing in this Agreement or otherwise shall be construed in a way that would result in the Company retaining or assuming any monetary obligation under the Collective Bargaining Agreement that is a Pre-Closing Unsecured Employee Claim. For greater certainty, to the extent that the Company recalls any hourly employee effective on or following the Closing Date and subsequently lays off that employee, such employee's entitlement to common law notice of termination or statutory or contractual notice, severance, termination, indemnity in lieu of notice or amounts that are akin or in the nature of severance or termination, or damages in lieu thereof shall be calculated on years of service beginning on or after the Closing Date, and the Company shall not retain or assume any monetary obligation under the Collective Bargaining Agreement in respect of such unionized employee that is a Pre-Closing Unsecured Employee Claim.

8.6 Administrative Expense Amount

- (a) On the Closing Date, the Administrative Expense Amount shall be paid to the Monitor and the Monitor shall hold the Administrative Expense Amount in trust for the benefit of Persons entitled to be paid the Administrative Expense Costs.
- (b) From time to time after the Closing Date, the Monitor may in its sole discretion and without further authorization from the Company or the Purchaser pay the Administrative Expense Costs from the Administrative Expense Amount to the Persons entitled to receive payment of these amounts. Any unused portion of the Administrative Expense Amount after payment or reserve for all Administrative Expense Costs as determined by the Monitor shall be transferred by the Monitor to the Company or as directed by it.
- (c) Notwithstanding the foregoing or anything else contained herein or elsewhere, each of the Company and the Purchaser acknowledges and agrees that: (i) the Monitor's obligations under this Agreement are and shall remain limited to those specifically set out in this Section 8.6; and (ii) the Monitor is acting solely in its capacity as the CCAA Court-appointed Monitor of the Company pursuant to the Initial Order and not in its personal or corporate capacity, and the Monitor has no liability in connection with this Agreement whatsoever, in its personal or corporate capacity or otherwise, save and except for and only to the extent of the Monitor's gross negligence or intentional fault.
- (d) The Parties acknowledge that the Monitor may rely upon the provisions of this Section 8.6 notwithstanding that the Monitor is not a party to this Agreement.

The provisions of Sections 8.6(c) and (d) above shall survive the termination or non-completion of the transactions contemplated by this Agreement.

ARTICLE 9 INSOLVENCY PROVISIONS

9.1 Court Orders and Related Matters

- (a) From and after the date of this Agreement and until the Closing Date, the Company shall deliver to the Purchaser drafts of any and all pleadings, motions, notices, statements, applications, schedules, and other papers to be filed or submitted by the Company in connection with or related to this Agreement, including with respect to the Approval and Reverse Vesting Order, for Purchaser's prior review at least two (2) days in advance of service and filing of such materials (or where circumstances make it impracticable to allow for two (2) days' review, with as much opportunity for review and comment as is practically possible in the circumstances). The Company acknowledges and agrees (i) that any such pleadings, motions, notices, statements, applications, schedules, or other papers shall be in form and substance satisfactory to the Purchaser, acting reasonably, and (ii) to consult and cooperate with the Purchaser regarding any discovery, examinations and hearing in respect of any of the foregoing, including the submission of any evidence, including witnesses testimony, in connection with such hearing.
- (b) Notice of the motions seeking the issuance of the Approval and Reverse Vesting Order shall be served or be caused to be served by the Company on all Persons required to receive notice under Applicable Law and the requirements of the CCAA, the CCAA Court, and any other Person determined necessary by the Company or Purchaser, acting reasonably.
- (c) If the Purchaser is selected or deemed to be the Successful Bidder in accordance with the Second SISP, the Company shall file a motion seeking the issuance of the Approval and Reverse Vesting Order in accordance with the timeline provided in the Second SISP.
- (d) If the Approval and Reverse Vesting Order relating to this Agreement is appealed or a motion for leave to appeal, rehearing, reargument or reconsideration is filed with respect thereto, the Company agrees (subject to the available liquidity of the Company) to take all action as may be commercially reasonable and appropriate to defend against such appeal, petition or motion.
- (e) The Company acknowledges and agrees, that the Approval and Reverse Vesting Order shall provide that, on the Closing Date and concurrently with the Closing, the Purchased Shares shall be transferred to the Purchaser free and clear of all Encumbrances other than Permitted Encumbrances.

ARTICLE 10 TERMINATION

10.1 Termination

This Agreement may be terminated at any time prior to Closing as follows:

- (a) by mutual written consent of the Company and the Purchaser;

- (b) by the Purchaser or the Company if this Agreement is not the Successful Bid (as determined pursuant to the Second SISP);
- (c) by the Purchaser or the Company if Closing has not occurred on or before October 31, 2025 or such later date agreed to by the Company and the Purchaser in writing in consultation with the Monitor (the "Outside Date"), provided that the terminating Party is not in breach of any representation, warranty, covenant or other agreement in this Agreement which would prevent the satisfaction of the conditions in Article 7 by the Outside Date;
- (d) by the Purchaser or the Company if at any time after the date hereof any of the conditions in Article 7 are not capable of being satisfied by the applicable dates required in Article 7 of this Agreement or if not otherwise required, by the Outside Date;
- (e) by the Purchaser upon the appointment of a receiver, trustee in bankruptcy or similar official in respect of the Company or any of the property of the Company, other than with the prior written consent of the Purchaser;
- (f) by the Purchaser or the Company upon the termination, dismissal or conversion of the CCAA Proceedings;
- (g) by the Purchaser or the Company upon dismissal of the motion for the Approval and Reverse Vesting Order (or if any such order is stayed, vacated, amended or varied without the consent of the Purchaser);
- (h) by the Purchaser or the Company if a court of competent jurisdiction, including the CCAA Court or other Governmental Authority has issued an Order or taken any other action to restrain, enjoin or otherwise prohibit the consummation of Closing and such Order or action has become a Final Order;
- (i) by the Company if there has been a material violation or breach by the Purchaser of any covenant, representation or warranty which would prevent the satisfaction of the conditions set forth in Section 7.1 or Section 7.3, as applicable, by the Outside Date, and such violation or breach has not been waived by the Company or cured by the Purchaser within ten (10) Business Days after written notice thereof from the Company unless the Company is in material breach of its obligations under this Agreement which would prevent the satisfaction of the conditions set forth in Section 7.1 or Section 7.2, as applicable, by the Outside Date; and
- (j) by the Purchaser if there has been a material violation or breach by the Company of any covenant, representation or warranty which would prevent the satisfaction of the conditions set forth in Section 7.1 or Section 7.2, as applicable, by the Outside Date, and such violation or breach has not been waived by the Purchaser or cured by the Company within ten (10) Business Days after written notice thereof from the Purchaser, unless the Purchaser is in material breach of its obligations under this Agreement which would prevent the satisfaction of the conditions set forth in Section 7.1 or Section 7.3, as applicable, by the Outside Date.

The Party desiring to terminate this Agreement pursuant to this Section 10.1 (other than pursuant to Section 10.1(a)) shall give written notice of such termination to the other Party specifying in reasonable detail the basis for such Party's exercise of its termination rights.

10.2 Effect of Termination

In the event of termination of this Agreement pursuant to Section 10.1, this Agreement shall become void and of no further force or effect without liability of any Party to any other Party to this Agreement except that: (i) Sections 8.5(c) and 8.5(d), this Section 10.2, Section 12.1, Section 12.2, Section 12.4, Section 12.5, Section 12.6 and Section 12.7 shall survive; and (ii) no termination of this Agreement shall relieve any Party of any liability for any wilful breach by it of this Agreement, or impair the right of any Party to compel specific performance by any other Party of its obligations under this Agreement in accordance with Section 12.2.

ARTICLE 11 CLOSING

11.1 Location and Time of the Closing

The Closing shall take place at the Closing Time on the Closing Date at the offices of Gowling WLG (Canada) LLP in Vancouver, or at such other location as may be agreed upon by the Parties.

11.2 Company's Deliveries at Closing

At Closing, the Company shall deliver to the Purchaser the following:

- (a) a true copy of each of the Approval and Reverse Vesting Order and the Second SISF Order, each of which shall be a Final Order;
- (b) a certificate of a senior officer or director of the Company (in such capacity and without personal liability) in form and substance reasonably satisfactory to the Purchaser: (i) certifying that the board of directors of the Company, has adopted resolutions (in a form attached to such certificate) authorizing the execution, delivery and performance of this Agreement and the transactions contemplated herein, as applicable, which resolutions are in full force and effect and have not been superseded, amended or modified as of the Closing Date; and (ii) certifying as to the incumbency and signatures of the officers and directors of the Company;
- (c) the certificates contemplated by Section 7.2(c);
- (d) confirmation of the due incorporation and organization of Residual Co. on the terms set forth herein;
- (e) evidence of completion of the Implementation Steps;
- (f) the Purchased Shares;
- (g) a direction to the Purchaser to pay the DIP Repayment Consideration to the DIP Lender;
- (h) evidence of the Transaction Regulatory Approvals having been obtained;

- (i) evidence of the filing of the Articles of Amendment, if required; and
- (j) all other documents as reasonably requested by the Purchaser in good faith.

11.3 Purchaser's Deliveries at Closing

At Closing, the Purchaser shall deliver to the Company or, in the case of the amount described in 11.3(a), to the DIP Lender and in the case of the amount described in 11.3(b), to the Monitor:

- (a) the DIP Repayment Consideration;
- (b) the Cash Consideration;
- (c) a certificate of a senior officer or director of the Purchaser (in such capacity and without personal liability), in form and substance reasonably satisfactory to the Company: (i) certifying that the board of directors has adopted resolutions (in a form attached to such certificate) authorizing the execution, delivery and performance of this Agreement and the transactions contemplated herein, as applicable, which resolutions are in full force and effect and have not been superseded, amended or modified as of the Closing Date; and (ii) certifying as to the incumbency and signature of the authorized signatory of the Purchaser executing this Agreement and the other transaction documents contemplated herein, as applicable;
- (d) the certificate contemplated by Section 7.3(c); and
- (e) all other documents required to effect to the transaction contemplated by this Agreement, as reasonably requested by the Company in good faith.

11.4 Monitor

When all conditions to Closing set out in Article 7 have been satisfied and/or waived by the Company or the Purchaser, as applicable, the Company and the Purchaser, or their respective counsel, shall each deliver to the Monitor written confirmation, in form and substance satisfactory to the Monitor, that all conditions to Closing have been satisfied or waived, subject to the Monitor's delivery of the Monitor's Certificate to the Purchaser in accordance with the Approval and Reverse Vesting Order. Upon receipt of such written confirmation, the Monitor shall: (i) issue forthwith its Monitor's Certificate in accordance with the Approval and Reverse Vesting Order; and (ii) as soon as practicable file a copy of the Monitor's Certificate with the CCAA Court (and shall provide a true copy of such filed certificate to each of the Company and the Purchaser). The Parties hereby acknowledge and agree that the Monitor will be entitled to file the Monitor's Certificate with the CCAA Court without independent investigation upon receiving written confirmation from the Company and the Purchaser that all conditions to Closing have been satisfied or waived, and the Monitor will have no liability whatsoever to any of the Company or Purchaser or any other Person as a result of filing the Monitor's Certificate.

11.5 Simultaneous Transactions

All actions taken and transactions consummated at the Closing shall be deemed to have occurred in the manner and sequence set forth in the Implementation Steps and the Approval and Reverse Vesting Order (subject to the terms of any escrow agreement or arrangement among the Parties

relating to the Closing), and no such transaction shall be considered consummated unless all are consummated.

11.6 Further Assurances

As reasonably required by a Party in order to effectuate the transactions contemplated by this Agreement, the Purchaser and the Company shall execute and deliver at (and after) the Closing such other documents, and shall take such other actions, as are necessary or appropriate, to implement and make effective the transactions contemplated by this Agreement.

ARTICLE 12 GENERAL MATTERS

12.1 Public Notices

No press release or other announcement concerning the transactions contemplated by this Agreement shall be made by any of the Company or Purchaser without the prior consent of the other Party (such consent not to be unreasonably withheld, conditioned or delayed); provided, however, that subject to the last sentence of this Section 12.1, any Party may, without such consent, make such disclosure if the same is required by Applicable Law (including the CCAA Proceedings), or by any Insolvency or other court, or other similar Governmental Authority having jurisdiction over such Party or any of its Affiliates, and, if such disclosure is required, the Party making such disclosure shall use commercially reasonable efforts to give prior oral or written notice to the other Party to the extent legally permissible and reasonably practicable, and if such prior notice is not legally permissible or reasonably practicable, to give such notice reasonably promptly following the making of such disclosure. Notwithstanding the foregoing: (i) this Agreement may be filed by either Party with the CCAA Court. The Parties further agree that:

- (a) the Monitor may prepare and file reports and other documents with the CCAA Court containing references to the transactions contemplated by this Agreement and the terms of such transactions; and
- (b) the Company, the Purchaser and their respective professional advisors may prepare and file such motions, affidavits, materials, reports and other documents with the CCAA Court containing references to the transactions contemplated by this Agreement and the terms of such transactions as may reasonably be necessary to complete the transactions contemplated by this Agreement or to comply with their obligations in connection therewith.

The Purchaser shall be afforded an opportunity to review and comment on such materials prior to their filing.

12.2 Injunctive Relief

- (a) The Parties agree that irreparable harm would occur for which money damages would not be an adequate remedy at law in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to seek specific performance, injunctive and other equitable relief to prevent breaches or threatened breaches of this Agreement, and to enforce compliance with the terms of this Agreement, without any requirement for the securing or

posting of any bond in connection with the obtaining of any such specific performance, injunctive or other equitable relief, this being in addition to any other remedy to which the Parties may be entitled at law or in equity.

- (b) Each Party hereby agrees not to raise any objections to the availability of the equitable remedies provided for herein and the Parties further agree that by seeking the remedies provided for in this Section 12.2, a Party shall not in any respect waive its right to seek any other form of relief that may be available to a Party under this Agreement.
- (c) Notwithstanding anything to the contrary herein, under no circumstances shall a Party be permitted or entitled to receive both monetary damages and specific performance and election to pursue one shall be deemed to be an irrevocable waiver of the other.

12.3 Survival

None of the representations, warranties, covenants (except the covenants in Article 2, Article 3, Article 12 and Sections 8.1(b), and 8.4 to the extent they are to be performed after the Closing) of any of the Parties set forth in this Agreement, in any Closing Document to be executed and delivered by any of the Parties (except any covenants included in such Closing Documents, which, by their terms, survive Closing) or in any other agreement, document or certificate delivered pursuant to or in connection with this Agreement or the transactions contemplated hereby shall survive the Closing.

12.4 Non-Recourse

No past, present or future director, officer, employee, incorporator, member, partner, security holder, Affiliate, agent, lawyer or representative of the respective Parties, in such capacity, shall have any liability for any obligations or liabilities of the Purchaser or the Company, as applicable, under this Agreement, or for any causes of action based on, in respect of or by reason of the transactions contemplated hereby.

12.5 Assignment; Binding Effect

No Party may assign its right or benefits under this Agreement without the consent of the other Party, except that without such consent the Purchaser may, upon prior notice to the Company, assign this Agreement, or any or all of its rights and obligations hereunder, to one or more of its Affiliates; provided that no such assignment or direction shall relieve the Purchaser of its obligations hereunder. This Agreement shall be binding upon and enure to the benefit of the Parties and their respective permitted successors and permitted assigns. Although not Parties to this Agreement, the Monitor and its respective Affiliates and advisors shall have the benefits expressed to be conferred upon them in this Agreement, including in Article 6, Section 8.6 and Section 11.4 (in respect of the Monitor) hereof. Subject to the preceding sentence, nothing in this Agreement shall create or be deemed to create any third Person beneficiary rights in any Person not a Party to this Agreement.

12.6 Notices

Any notice, request, demand or other communication required or permitted to be given to a Party pursuant to the provisions of this Agreement will be in writing, with a copy to the Monitor, and will

be effective and deemed given under this Agreement on the earliest of: (i) the date of personal delivery; (ii) the date of transmission by email, with confirmed transmission and receipt (if sent during normal business hours of the recipient, if not, then on the next Business Day); (iii) two (2) days after deposit with a nationally-recognized courier or overnight service such as Federal Express; or (iv) five (5) days after mailing via certified mail, return receipt requested. All notices not delivered personally or by email will be sent with postage and other charges prepaid and properly addressed to the Party to be notified at the address set forth for such Party:

(a) If to the Purchaser at:

Trafigura Holding S.à r.l.
1 rue de Jargonnat,
1207 Geneva, Switzerland

Email: genevalawyers@trafigura.com

(b) If to the Company at:

Myra Falls Mine Ltd.
Westmin Rd
Comox-Strathcona D, BC
V9H 1P1

Attention: Hein Frey
Email: Hein.Frey@myrafallsmine.com

and to:

Gowling WLG (Canada) LLP
421 7 Ave SW Suite #1600
Calgary, AB
T2P 4K9

Attention: Stuart Olley/Virginie Gauthier
Email: stuart.olley@gowlingwlg.com
virginie.gauthier@gowlingwlg.com

(c) and in all cases, with a copy to the Monitor at:

FTI Consulting
701 West Georgia Street
Suite 1450, PO Box 10089
Vancouver, BC V7Y 1B6

Attention: Tom Powell
Email: tom.powell@fticonsulting.com

and to:

Blake, Cassels & Graydon LLP
1133 Melville St #3500
Vancouver, BC
V6E 4E5

Attention: Peter Rubin/Claire Hildebrand
Email: peter.rubin@blakes.com
claire.hildebrand@blakes.com

Any Party may change its address for service from time to time by notice given in accordance with the foregoing and any subsequent notice shall be sent to such Party at its changed address.

12.7 Counterparts; Electronic Signatures

This Agreement may be signed in counterparts and each of such counterparts shall constitute an original document and such counterparts, taken together, shall constitute one and the same instrument. Execution of this Agreement may be made by electronic signature which, for all purposes, shall be deemed to be an original signature.

[Signature pages to follow]

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

MYRA FALLS MINE LTD.



Per:

Name: Maciej Sclazko

Title: Director

I have the authority to bind the corporation.

TRAFIGURA HOLDING S.À R.L.



Per:

Name: Richard Holtum

Title: Director

I have the authority to bind the corporation.



Per:

Name: Stephan Jansma

Title: Director

I have the authority to bind the corporation.

SCHEDULE 1.1(A)

APPROVAL AND REVERSE VESTING ORDER

(See attached)

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

ORDER MADE AFTER APPLICATION

(Reverse Vesting Order)

BEFORE THE HONOURABLE
JUSTICE FITZPATRICK

)
)
)

JULY 10, 2025

THE APPLICATION of the Petitioner, coming on for hearing before me at the courthouse at 800 Smithe Street, Vancouver, British Columbia, on the 10th day of July, 2025; AND ON HEARING Jonathan B. Ross, counsel for the Petitioner and those other counsel listed on Schedule "A" hereto; AND UPON READING the materials filed, including the Affidavit #10 of Hein Frey, affirmed June 26, 2025 (the "Frey Affidavit #10"), the Eighth Report of FTI Consulting Canada Inc. ("FTI" and in its capacity as court-appointed monitor of the Petitioner, the "Monitor") dated [●], 2025; AND pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36 as amended (the "CCAA"), the *British Columbia Supreme Court Civil Rules*, BC Reg 168/2009 and the inherent jurisdiction of this Honourable Court;

THIS COURT ORDERS AND DECLARES THAT:

SERVICE AND DEFINITIONS

1. The time for service of the Notice of Application for this Order is hereby abridged and validated so that the Notice of Application is properly returnable today and hereby dispenses with further service thereof.

2. Capitalized terms used in this Order and not otherwise defined herein shall have the meanings ascribed to them in the amended and restated subscription agreement dated June 26, 2025 between the Petitioner and Trafigura Holding S.à r.l. (including an assignee thereof, the "Purchaser") (as may be amended, supplemented or modified from time to time in accordance with the terms of the agreement and this Order, the "Amended Subscription Agreement").

APPROVAL AND VESTING

3. The Amended Subscription Agreement, a copy of which is attached as Exhibit "A" to the Frey Affidavit #10, and the transactions contemplated therein, including the Implementation Steps (the "Transactions") are hereby approved and the execution of the Amended Subscription Agreement by the Petitioner and the Purchaser is hereby authorized and approved, with such minor amendments as the parties thereto may deem necessary, with the approval of the Monitor, and the Amended Subscription Agreement is commercially reasonable. The Petitioner is hereby authorized and directed to perform its obligations under the Amended Subscription Agreement and to take all steps and execute such additional documents as may be necessary or desirable for the completion of the Transactions.
4. Notwithstanding any provision hereof, the closing of the Transactions shall be deemed to occur in the manner, order and sequence set out in the Amended Subscription Agreement, including in accordance with the Implementation Steps, with such alterations, changes or amendments as may be agreed to by the Purchaser, with the prior consent of the Petitioner and the Monitor, acting reasonably, provided that such alterations, changes or amendments do not materially alter or impact the Transactions or alter the consideration which the Petitioner or its applicable stakeholders will benefit from as part of the Transactions.
5. Notwithstanding the generality of paragraphs 3 and 4 hereof, in completing the Transactions contemplated in the Implementation Steps, the Petitioner is and is hereby authorized:
 - (a) to execute and deliver any documents, assignments or assurances governing or giving effect to the Implementation Steps as the Petitioner, in its discretion, may deem to be reasonably necessary or advisable to complete the Implementation Steps,

including the execution of such contracts, documents or agreements as may be contemplated in the Amended Subscription Agreement and all such contracts, documents or agreements are hereby ratified, approved and confirmed; and

- (b) to take such steps as are, in the opinion of the Petitioner, necessary or incidental to the Implementation of the Implementation Steps.
6. The Petitioner be and is hereby permitted to execute and file articles of amendment or such other documents or instruments as may be required to permit or enable and effect the Implementation Steps and that such articles of amendment or other documents or instruments shall be deemed to be duly authorized, valid and effective notwithstanding any requirement under federal or provincial law to obtain director or shareholder approval with respect to such actions or to deliver any statutory declarations that may otherwise be required under corporate law to effect the Implementation Steps.
 7. This Order shall constitute the only authorization required by the Petitioner to proceed with the Transactions and no director, shareholder or regulatory approval shall be required in connection with any of the steps contemplated pursuant to Transactions including the Implementation Steps save for those Transaction Regulatory Approvals contemplated in the Amended Subscription Agreement.
 8. The Registrar of Companies appointed pursuant to the *Business Corporations Act* (British Columbia) be and is hereby authorized and directed to accept and receive any articles of amendment or such other documents or instruments as may be required to permit or enable and effect the Implementation Steps contemplated in the Amended Subscription Agreement, filed by either the Petitioner or Residual Co. (as defined below), as the case may be.
 9. Upon the delivery of the Monitor's certificate (the "**Monitor's Certificate**") to the Petitioner and the Purchaser substantially in the form attached as **Schedule "B"** hereto, the following shall occur and shall be deemed to have occurred at the Closing Time, all in accordance with the Implementation Steps set out in the Amended Subscription Agreement and the steps contemplated thereunder:
 - (a) first, all of the Petitioner's right, title and interest in and to the Excluded Assets shall vest absolutely and exclusively in a corporation to be incorporated prior to the Closing

Date ("Residual Co."); with all applicable Claims (as defined below) and Encumbrances continuing to attach to the Excluded Assets and to the Cash Consideration in accordance with paragraph 13 of this Order, in either case with the same nature and priority as they had immediately prior to the transfer;

- (b) second, all Excluded Liabilities (which for greater certainty includes any liability or obligation of the Petitioner of any kind, character or description, whether known or unknown, absolute or contingent, accrued or not accrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise, and whether or not the same is required to be accounted or disclosed on the financial statements of the Petitioner, including for greater certainty any Pre-Closing Unsecured Employment Claims, other than Retained Liabilities) shall be channeled to, assumed by and vested absolutely and exclusively in Residual Co., such that the Excluded Liabilities shall become exclusively the obligations of Residual Co., and shall no longer be obligations of the Petitioner and all of the Petitioner's respective remaining assets, licenses, undertakings and properties of every nature and kind whatsoever and wherever situate, including property held in trust for the Petitioner (the "Petitioner's Property"), shall be and are hereby forever released and discharged from such Excluded Liabilities and all related Claims and all Encumbrances other than the Permitted Encumbrances affecting or relating to the Petitioner's Property are to be expunged and discharged as against the Petitioner's Property;
- (c) third, in consideration for the Purchase Price, the Petitioner shall issue the Purchased Shares to the Purchaser, and all of the right, title and interest in and to the Purchased Shares shall vest absolutely in the Purchaser, and the Petitioner's Property (which for greater certainty does not include Excluded Assets) will be retained by the Petitioner, free and clear of and from any and all debts, liabilities, obligations, indebtedness, contracts, leases, agreements, and undertakings of any kind or nature whatsoever, whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based in statute or otherwise, including any and all encumbrances, security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory or

otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims"), including without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Initial Order or any other Order of the Court in the CCAA Proceedings with the exception of the Interim Lender's Charge; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (British Columbia), the *Land Title Act* (British Columbia), the *Mines Act* (British Columbia), the *Mineral Tenure Act* or the *Builders Lien Act* (British Columbia) or any other personal property registry systems; and (iii) without limiting the generality of the foregoing those Claims listed on **Schedule C** hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the Permitted Encumbrances) but excluding the Permitted Encumbrances;

- (d) fourth, all Equity Interests of the Petitioner outstanding prior to the issuance of the Purchased Shares, including all options, conversion privileges, equity-based awards, warrants, securities, debentures, loans, notes or other rights, agreements or commitments of any character whatsoever that are held by any Person (as defined below) which are convertible or exchangeable for any securities of the Petitioner or which require the issuance, sale or transfer by the Petitioner, of any shares or other securities of the Petitioner and/or the share capital of the Petitioner, or otherwise relating thereto, shall be deemed terminated and cancelled without consideration and the only Equity Interests of the Petitioner that shall remain shall be the Purchased Shares;
- (e) fifth, upon confirmation of receipt of the DIP Repayment Amount by the DIP Lender delivered to the Petitioner and the Monitor, the Interim Lender's Charge shall be released against the Petitioner and the Petitioner's Property; and
- (f) lastly, the Petitioner shall be deemed to cease being a Petitioner in these CCAA Proceedings, and the Petitioner shall be deemed to be released from the purview of the Initial Order and all other Orders of this Court granted in respect of these CCAA Proceedings, save and except for this Order, the provisions of which (as they relate to the Petitioner) shall continue to apply in all respects.

10. The Monitor may rely on written notice from the Petitioner and the Purchaser regarding the fulfillment of conditions to Closing under the Amended Subscription Agreement and shall have no liability with respect to delivery of the Monitor's Certificate.
11. The Monitor shall file with the Court a copy of the Monitor's Certificate forthwith after delivery thereof in connection with the Transactions.
12. Upon delivery of the Monitor's Certificate, and upon filing a copy of this Order, together with any applicable registration fees, all governmental authorities and any other applicable registrar, or government ministries or authorities exercising jurisdiction with respect to the Petitioner, the Petitioner's Property (collectively, the "Governmental Authorities") are hereby authorized, requested and directed to accept delivery of such Monitor's Certificate and a copy of this Order as though they were originals and to register such transfers, discharges and interest authorizations as may be required to give effect to the terms of this Order, the Amended Subscription Agreement and the Transactions. Presentment of this Order and the Monitor's Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of interest or discharges against any of the Petitioner's Property and the Monitor and the Purchaser are hereby specifically authorized to discharge the registrations on the Petitioner's Property, as applicable.
13. For the purposes of determining the nature and priority of Claims, from and after the Closing Time, subject to the payment of the Cash Consideration, all Claims and Encumbrances released, expunged and discharged pursuant to this Order, including as against the Petitioner and the Petitioner's Property, shall attach to the Excluded Assets, in each case, with the same nature and priority as they had immediately prior to the Transactions as if the Transactions had not occurred.
14. Pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act* or section 18(10)(b) of the *Personal Information Protection Act of British Columbia*, the Petitioner or the Monitor, as the case may be, are authorized, permitted and directed to, at the Closing Time, disclose to the Purchaser all human resources and payroll information in the Petitioner's records pertaining to past and current employees of the Petitioner. The Purchaser shall, and shall cause the Petitioner after Closing to, maintain and protect the privacy of such information in accordance with applicable law and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Petitioner prior to Closing.

15. At the Closing Time and without limiting the provisions of paragraph 9 hereof, the Petitioner and the Purchaser shall be deemed released from any and all claims, liabilities (direct, indirect, absolute or contingent) or obligations with respect to any Taxes (including penalties and interest thereon) of, or that relate to, the Petitioner, including without limiting the generality of the foregoing all Taxes that could be assessed against the Petitioner or the Purchaser (including their respective affiliates and predecessor corporations) pursuant to section 160 and section 160.01 of the *Income Tax Act* (Canada), or any equivalent legislation in any jurisdiction (including provincial legislation), in connection with the Petitioner (provided, as it relates to the Petitioner, such release shall not apply to (i) Taxes in respect of the business and operations conducted by the Petitioner after the Closing Time or (ii) any Taxes that are Retained Liabilities).
16. Except to the extent expressly contemplated by the Amended Subscription Agreement, all contracts to which the Petitioner is a party at the time of delivery of the Monitor's Certificate other than Excluded Contracts will be and remain in full force and effect upon and following delivery of the Monitor's Certificate and no individual, firm, corporation, governmental body or agency, or any other entity (all of the foregoing, collectively being "Persons" and each being a "Person") who is a party to or derives rights from any such contract or arrangement may accelerate, terminate, rescind, refuse to perform or otherwise repudiate its obligations thereunder, or enforce or exercise any right (including any right of set-off, dilution or other remedy) or make any demand under or in respect of any such contract or arrangement (including in respect of any Pre-Closing Unsecured Employment Claim) and no automatic termination will have any validity or effect, by reason of:
- (a) any event that occurred upon or prior to the Closing Time and is not continuing that would have entitled such Person to enforce those rights or remedies (including defaults or events of default arising as a result of the Insolvency of the Petitioner);
 - (b) the Insolvency of the Petitioner or the fact that the Petitioner sought or obtained relief under the CCAA;
 - (c) any compromises, releases, discharges, cancellations, transactions, arrangements, reorganizations or other steps taken or effected pursuant to the Amended Subscription Agreement, the Transactions or the provisions of this Order, or any other Order of the Court in these proceedings; or

- (d) any transfer or assignment, or any change of control of the Petitioner arising from the implementation of the Amended Subscription Agreement, the Transactions or the provisions of this Order.
17. For greater certainty: (a) nothing in paragraph 17 herein shall waive, compromise or discharge any obligations of the Petitioner in respect of any Retained Liabilities; (b) the designation of any Claim as a Retained Liability is without prejudice to the Petitioner's right to dispute the existence, validity or quantum of any such Retained Liability; and (c) nothing in this Order or the Amended Subscription Agreement shall affect or waive the Petitioner's rights and defences, both legal and equitable, with respect to any Retained Liability, including, but not limited to, all rights with respect to entitlements to set-offs or recoupments against such Retained Liability.
18. From and after the Closing Time, all Persons shall be deemed to have waived any and all defaults of the Petitioner then existing or previously committed by the Petitioner, or caused by the Petitioner, directly or indirectly, or non-compliance with any covenant, warranty, representation, undertaking, positive or negative pledge, term, provision, condition or obligation, expressed or implied, in any contract, existing between such Person and the Petitioner arising directly or indirectly from the filing by the Petitioner under the CCAA and the implementation of the Transactions, including without limitation any of the matters or events listed in paragraph 16 hereof, and any and all notices of default and demands for payment or any step or proceeding taken or commenced in connection therewith under a contract shall be deemed to have been rescinded and of no further force or effect, provided that nothing herein shall be deemed to excuse the Petitioner or the Purchaser from performing their obligations under, or be a waiver of defaults by the Petitioner under, the Amended Subscription Agreement and any related agreements and documents.
19. From and after the Closing Time, any and all Persons shall be and are hereby forever barred, estopped, stayed and enjoined from commencing, taking, applying for or issuing or continuing any and all steps or proceedings, whether directly, derivatively or otherwise, and including without limitation, administrative hearings and orders, declarations and assessment, commenced, taken or proceeded with or that may be commenced, taken or proceeded with against the Petitioner or the Petitioner's Property relating in any way to or in respect of any Excluded Assets or Excluded Liabilities and any other claims, obligations

and other matters which are waived, released, expunged or discharged pursuant to this Order.

20. From and after the Closing Time:

- (a) the nature of the Retained Liabilities retained by the Petitioner, including, without limitation, their amount and their secured or unsecured status, shall not be affected or altered as a result of the Transactions or this Order;
- (b) the nature of the Excluded Liabilities, including, without limitation, their amount and their secured or unsecured status, shall not be affected or altered as a result of their transfer to Residual Co.;
- (c) any Person that prior to the Closing Time had a valid right or claim against the Petitioner under or in respect of any Excluded Contract or Excluded Liability (each an "Excluded Liability Claim") shall no longer have such right or claim against the Petitioner but will have an equivalent Excluded Liability Claim against Residual Co. in respect of the Excluded Contract or Excluded Liability from and after the Closing Time in its place and stead, and nothing in this Order limits, lessens or extinguishes the Excluded Liability Claim of any Person as against Residual Co.;
- (d) the Excluded Liability Claim of any Person against Residual Co. following the Closing Time shall have the same rights, priority and entitlement as such Excluded Liability Claim had against the Petitioner prior to the Closing Time;
- (e) each Hired Employee will be considered a new employee of the Petitioner with service commencing effective as of the Closing Date except as required for compliance with the minimum statutory requirements of the British Columbia *Employment Standards Act, 1996*. Should the Petitioner terminate a Hired Employee after the Closing Date, such employee's potential common law termination entitlement shall be calculated on years of service beginning on or after the Closing Date; and
- (f) notwithstanding the fact that the Collective Bargaining Agreement is not an Excluded Contract, nothing in the Amended Subscription Agreement or in this Order shall be construed in a way that would result in the Petitioner or the Purchaser retaining or assuming any monetary obligation under the Collective Bargaining Agreement that is a Pre-Closing Unsecured Employee Claim. For greater certainty, to the extent that

the Petitioner recalls any hourly employee effective on or following the Closing Date and subsequently lays off that employee, such employee's entitlement to common law notice of termination or statutory or contractual notice, severance, termination, indemnity in lieu of notice or amounts that are akin or in the nature of severance or termination, or damages in lieu thereof shall be calculated on years of service beginning on or after the Closing Date.

21. As of the Closing Time, Residual Co. shall be a company to which the CCAA applies and Residual Co. shall be added as Petitioner in these CCAA Proceedings and all references in any Order of this Court in respect of these CCAA Proceedings to: (i) a "Petitioner" shall refer to and include Residual Co., *mutatis mutandis*; and (ii) "Property", as defined in the Initial Order, shall include the current and future assets, licenses, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof, of Residual Co. (collectively, the "Residual Co. Property"), and, for greater certainty, each of the Charges (as defined in the Initial Order) (other than the Interim Lender's Charge) shall constitute a charge on the Residual Co. Property.

RELEASES

22. Effective as of the delivery of the Monitor's Closing Certificate,

- (a) the current and former directors, officers, employees, consultants, legal counsel and advisors of the Petitioner and Residual Co. (or any of them);
- (b) the Monitor and its legal counsel; and
- (c) the DIP Lender and the Purchaser

and their respective current and former directors, officers, employees, legal counsel and advisors (in such capacities, collectively, the "Released Parties") shall be deemed to be forever irrevocably released and discharged from any and all present and future claims (including, without limitation, claims for contribution or indemnity), liabilities, indebtedness, demands, actions, causes of action, counterclaims, suits, damages, judgments, executions, recoupments, debts, sums of money, expenses, accounts, liens, taxes, recoveries, and obligations of any nature or kind whatsoever (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or

unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based in statute or otherwise) based in whole or in part on any act or omission, transaction, offer, dealing, or other fact, matter, occurrence or thing existing or taking place on or prior to the Closing Time, or arising in connection with or relating to the Amended Subscription Agreement, the consummation of the Transaction, any closing document (collectively, the "**Closing Documents**"), agreement, document, instrument, matter or transaction involving the Petitioner arising in connection with or pursuant to any of the foregoing (collectively, the "**Released Claims**"), which Released Claims shall be deemed to be fully, finally, irrevocably and forever waived, discharged, released, cancelled and barred as against the Released Parties; provided that, nothing in this paragraph shall waive, discharge, release, cancel or bar (a) any claim that is not permitted to be released pursuant to section 5.1(2) of the CCAA or claim with respect to any act or omission that is determined by a court of competent jurisdiction to have constituted actual fraud, willful misconduct, or gross negligence, or (b) any obligations of any of the Released Parties under or in connection with the Amended Subscription Agreement and the Closing Documents.

23. Without affecting or limiting the releases set forth in paragraph 22 herein, effective as of the Closing Time, none of the Released Parties shall have or incur, and each Released Party is released and exculpated from, any Causes of Action (as defined below) against such Released Party for any act or omission in respect of, relating to, or arising out of the Amended Subscription Agreement, the Closing Documents, the consummation of the Transactions, these CCAA Proceedings, the formulation, preparation, dissemination, negotiation, filing or consummation of the Amended Subscription Agreement and the Closing Documents and all related agreements and documents, any transaction, contract, instrument, release, or other agreement or document created or entered into in connection with the Transactions, the pursuit of approval and consummation of the Transactions or the recognition thereof in any jurisdiction, and/or the transfer of assets and liabilities pursuant to this Order, except for Causes of Action related to any act or omission that is determined by a court of competent jurisdiction to have constituted actual fraud, willful misconduct, or gross negligence. "**Causes of Action**" means any action, claim, cross-claim, third-party claim, damage, judgment, cause of action, controversy, demand, right, action, suit, obligation, liability, debt, account, defense, offset, power, privilege, license, lien, indemnity, interest, guaranty, or franchise of any kind or character whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, contingent or non-contingent, liquidated or unliquidated, disputed or undisputed,

secured or unsecured, assertable directly or derivatively, matured or unmatured, suspected or unsuspected, in contract or in tort, at law or in equity, or pursuant to any other theory of law or otherwise.

24. All Persons are permanently and forever barred, estopped, stayed and enjoined, on and after the Closing Time, with respect to any and all claims or Causes of Action released pursuant to this Order (including but not limited to the Released Claims), from (a) commencing, conducting or continuing in any manner, directly or indirectly, any action, suits, demands or other proceedings of any nature or kind whatsoever (including, without limitation, any proceeding in a judicial, arbitral, administrative or other forum) against any of the Released Parties; (b) enforcing, levying, attaching, collecting or otherwise recovering or enforcing by any manner or means, directly or indirectly, any judgment, award, decree or order against any of the Released Parties or their respective property; (c) commencing, conducting, continuing or making in any manner, directly or indirectly, any action, suit, claim, demand or other proceeding of any nature or kind whatsoever (including any proceeding in a judicial, arbitral, administrative or other forum) against any Person who makes a claim or might reasonably be expected to make a claim, in any manner or forum, including by way of contribution or indemnity or other relief, against one or more of the Released Parties; (d) creating, perfecting, asserting or otherwise enforcing, directly or indirectly, any Encumbrance of any kind against the Released Parties, or their respective property; or (e) taking any actions to interfere with the consummation of the Transactions; and any such proceedings will be deemed to have no further effect against such parties and will be released, discharged or vacated without cost.

25. Notwithstanding:

- (a) the pendency of these CCAA Proceedings;
- (b) any applications or motions for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3 (the "BIA") or any other similar legislation in respect of the Petitioner or Residual Co.; or
- (c) any assignment in bankruptcy or similar process made in respect of the Petitioner or Residual Co.;

the Amended Subscription Agreement, the implementation of the Transactions (including without limitation the transfer and vesting of the Excluded Assets and Excluded Liabilities in and to Residual Co. and the issuance of the Purchased Shares) and any payments pursuant to the Amended Subscription Agreement shall be binding on any trustee in bankruptcy that may be appointed in respect of the Petitioner or Residual Co. and shall not be void or voidable by creditors of the Petitioner or Residual Co. nor shall they constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the CCAA, the BIA or any other applicable federal or provincial legislation or similar legislation of any other jurisdiction, nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

THE MONITOR

26. The Monitor, its employees and representatives shall not be deemed directors of Residual Co., de facto or otherwise, and shall incur no liability as a result of acting in accordance with this Order, other than any liability arising out of or in connection with the gross negligence or wilful misconduct of the Monitor.
27. No action lies against the Monitor by reason of this Order or the performance of any act authorized by this Order. The entities related or affiliated with the Monitor or belonging to the same group as the Monitor (including, without limitation, any agents, employees, legal counsel or other advisors retained or employed by the Monitor) shall benefit from the protection granted to the Monitor under the present paragraph.
28. The Monitor shall not, as a result of this Order or any matter contemplated hereby be deemed to have taken part in the management or supervision of the management of any of the Petitioner or Residual Co. or to have taken or maintained possession or control of the business or property of any of the Petitioner or Residual Co. or any part thereof.
29. Nothing in this Order, including the release of the Petitioner from the purview of these CCAA Proceedings and the addition of Residual Co. as Petitioner in these CCAA Proceedings, shall affect, vary, derogate from, limit or amend any rights, approvals and protections afforded to the Monitor in these CCAA Proceedings and FTI shall continue to have the benefit of any and all rights and approvals and protections in favour of the Monitor at law or pursuant to the CCAA, the Initial Order, and any other Orders in these CCAA

Proceedings or otherwise, including all approvals, protections and stays of proceedings in favour of FTI in its capacity as Monitor, all of which are expressly continued and confirmed.

GENERAL

30. Following the Closing Time, the Purchaser and the Petitioner shall be authorized to take all steps as may be necessary to effect the discharge of all Claims and Encumbrances as against the Petitioner, the Purchased Shares and the Petitioner's Property.
31. Following the Closing Time, the style of cause of these proceedings shall be and is hereby changed to:

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

[● RESIDUAL CO.]

32. This Order shall have full force and effect in all provinces and territories in Canada, and any other jurisdiction in which it is enforceable.
33. The Petitioner shall be authorities to apply as they may consider necessary or desirable, with or without notice, to any other court or administrative body for orders which aid and complement this Order. All courts and administrative bodies of all such jurisdictions are hereby respectfully requested to make such orders and to provide such assistance to the Petitioner, the Purchaser or the Monitor as may be deemed necessary or appropriate for that purpose.
34. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body, wherever located, to give effect to this Order and to assist the Petitioner, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Petitioner and to the Monitor, as an office of this Court, as may be necessary or desirable to give

effect to this order or to assist the Petitioner and the Monitor and their respective agents in carrying out the terms of this Order.

35. This Order and all of its provisions are effective as of 12:01 a.m. local Vancouver time on the date of this Order.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature of Jonathan B. Ross
Lawyer for the Petitioner

BY THE COURT

REGISTRAR

Schedule "A"LIST OF COUNSEL

COUNSEL NAME	PARTY REPRESENTED

SCHEDULE "B"
Monitor's Certificate

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

MONITOR'S CERTIFICATE

RECITALS

- A. Pursuant to an Initial Order of the Honourable Madam Justice Fitzpatrick of the British Columbia Supreme Court (the "Court") dated December 18, 2023 (as amended and restated by an order of the Court made December 28, 2023, and as may be further amended or amended and restated from time to time, the "Initial Order"), the Petitioner was granted creditor-protection pursuant to the *Companies' Creditors Arrangement Act* R.S.C. 1985, c. C-36, as amended (the "CCAA") and FTI Consulting Canada Inc. was appointed as court-appointed monitor (the "Monitor").
- B. Pursuant to an Order of the Court dated July 10, 2025 (the "Reverse Vesting Order"), the Court approved the transactions (collectively, the "Transactions") contemplated by the Amended Subscription Agreement and ordered, *inter alia*, (a) that all of the Petitioner's right, title and interest in and to the Excluded Assets and the Excluded Liabilities shall vest absolutely and exclusively in and to Residual Co., (b) all of the right, title and interest in and to the Purchased Shares shall vest absolutely in the Purchaser and the Petitioner's Property, other than the Excluded Assets, will be retained by the Petitioner, free and clear of any Encumbrances, and (c) all Equity Interests of the Petitioner outstanding prior to the issuance of the Purchased Shares shall be deemed terminated and cancelled without consideration and the only Equity Interests of the Petitioner that shall remain shall be the Purchased Shares.
- C. Capitalized terms not otherwise defined herein shall have the meanings given to them in the Reverse Vesting Order or the Amended Subscription Agreement, as applicable.

THE MONITOR CERTIFIES that:

1. The Monitor has received written confirmation from the Purchaser and the Petitioner, in form and substance satisfactory to the Monitor, that all conditions to closing have been satisfied or waived by the Purchaser or the Petitioner, as applicable.
2. This Certificate was delivered by the Monitor at _____ on _____, 2025 (the "Effective Time").

**FTI Consulting Canada Inc., in its
capacity as Monitor of the Petitioner,
and not in its personal capacity**

Per: _____
Name:
Title:

Schedule "C"
Encumbrances

Personal Property Security Act (British Columbia)

Registration No.	887434M
Registration Type	SECURITY AGREEMENT
Registration Date	April 8, 2021
Expiry	April 8, 2026
Debtors	MYRA FALLS MINE LTD.
Secured Party	SANDVIK CANADA INC. SANDVIK FINANCIAL SERVICES CANADA
Collateral: Serial Number Goods	Type: Motor Vehicle (MV) Year: 2020 Make/Model: SANDVIK TH540 REBUILD / - Serial Number: T740D577

Registration No.	994738M
Registration Type	SECURITY AGREEMENT
Registration Date	May 26, 2021
Expiry	May 26, 2026
Debtors	MYRA FALLS MINE LTD.
Secured Party	SANDVIK CANADA INC. SANDVIK FINANCIAL SERVICES CANADA
Collateral: Serial Number Goods	Type: Motor Vehicle (MV) Make/Model: Sandvik / TH545i Rebuild Serial Number: T740D604

Registration No.	017501N
Registration Type	SECURITY AGREEMENT
Registration Date	June 4, 2021
Expiry	June 4, 2026
Debtors	MYRA FALLS MINE LTD.
Secured Party	SANDVIK CANADA INC. SANDVIK FINANCIAL SERVICES CANADA
Collateral: Serial Number Goods	Type: Motor Vehicle (MV) Year: 2021 Make/Model: SANDVIK DL4321 / - Serial Number: 121A6747-1

Registration No.	167256N
Registration Type	SECURITY AGREEMENT
Registration Date	August 10, 2021
Expiry	August 10, 2025
Debtors	MYRA FALLS MINE LTD.
Secured Party	VALIANT FINANCIAL SERVICES INC.
Collateral: Serial Number Goods	Type: Motor Vehicle (MV) Year: 2018 Make/Model: SKYTRAK 10042 / - Serial Number: 0160086358

Registration No.	259986N
Registration Type	SECURITY AGREEMENT

Registration Date	September 23, 2021
Expiry	September 23, 2025
Debtors	MYRA FALLS MINE LTD.
Secured Party	VERSATILE LEASING INCORPORATED.
Collateral: Serial Number Goods	Motor Vehicle (MV) Serial Number: 1FTEW1EP7MKE09770

Registration No.	292305N
Registration Type	SECURITY AGREEMENT
Registration Date	October 7, 2021
Expiry	October 7, 2026
Debtors	MYRA FALLS MINE LTD.
Secured Party	AMALGAMATED MINING & TUNNELLING INC.
Collateral: Serial Number Goods	Type: Motor Vehicle (MV) Year: 2014 Make/Model: KOVATERA UT99D TRUCK / - Serial Number: IFIUT99D7404

Registration No.	292324N
Registration Type	SECURITY AGREEMENT
Registration Date	October 7, 2021
Expiry	October 7, 2026
Debtors	MYRA FALLS MINE LTD.
Secured Party	AMALGAMATED MINING & TUNNELLING INC.

Collateral: Serial Number Goods	Type: Motor Vehicle (MV) Year: 2020 Make/Model: KOVATERA UT99 CARRIER / - Serial Number: IFIUT99D7741
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Registration No.	313607N
Registration Type	SECURITY AGREEMENT
Registration Date	October 19, 2021
Expiry	October 19, 2026
Debtors	MYRA FALLS MINE LTD.
Secured Party	AMALGAMATED MINING & TUNNELLING INC.
Collateral: Serial Number Goods	Type: Motor Vehicle (MV) Year: 2020 Make/Model: GETMAN EXC EMULSION TRUCK / - Serial Number: 100-10101

Registration No.	483926N
Registration Type	SECURITY AGREEMENT
Registration Date	January 18, 2022
Expiry	January 18, 2027
Debtors	MYRA FALLS MINE LTD.
Secured Party	AMALGAMATED MINING & TUNNELLING INC.
Collateral: Serial Number Goods	Type: Motor Vehicle (MV) Year: 2021 Make/Model: SANDVIK TH545I / - Serial Number: T545DEMA0A0125

Registration No.	615796N
Registration Type	SECURITY AGREEMENT
Registration Date	March 23, 2022
Expiry	March 23, 2026
Debtors	MYRA FALLS MINE LTD.
Secured Party	EPIROC CANADA INC
Collateral: Serial Number Goods	NONE

Registration No.	735438N
Registration Type	SECURITY AGREEMENT
Registration Date	May 17, 2022
Expiry	May 17, 2027
Debtors	MYRA FALLS MINE LTD.
Secured Party	SANDVIK CANADA INC. SANDVIK FINANCIAL SERVICES CANADA
Collateral: Serial Number Goods	Type: Motor Vehicle (MV) Make/Model: Sandvik / TH545i Serial Number: T545DHNA0A0187

Registration No.	817678N
Registration Type	SECURITY AGREEMENT
Registration Date	June 23, 2022
Expiry	June 23, 2027
Debtors	MYRA FALLS MINE LTD.

Secured Party	AMALGAMATED MINING & TUNNELLING INC.
Collateral: Serial Number Goods	Type: Motor Vehicle (MV) Year: 2016 Make/Model: Sandvik / LH514 Loader Serial Number: L614D818

Registration No.	143009P
Registration Type	SECURITY AGREEMENT
Registration Date	October 15, 2022
Expiry	October 15, 2025
Debtors	MYRA FALLS MINE LTD.
Secured Party	VERSATILE LEASING INCORPORATED.
Collateral: Serial Number Goods	Type: Motor Vehicle (MV) Year: 2021 Make/Model: FORD / F150 Serial Number: 1FTFW1E50MFA80115

Registration No.	143012P
Registration Type	SECURITY AGREEMENT
Registration Date	October 15, 2022
Expiry	October 15, 2025
Debtors	MYRA FALLS MINE LTD.
Secured Party	VERSATILE LEASING INCORPORATED.
Collateral: Serial Number Goods	Type: Motor Vehicle (MV) Year: 2021

	Make/Model: FORD / F150 Serial Number: 1FTFW1E59MFA80114
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Registration No.	619435P
Registration Type	SECURITY AGREEMENT
Registration Date	June 22, 2023
Expiry	June 22, 2028
Debtors	MYRA FALLS MINE LTD.
Secured Party	AMALGAMATED MINING & TUNNELLING INC.
Collateral: Serial Number Goods	Type: Motor Vehicle (MV) Year: 2023 Make/Model: Sandvik / TH545i Truck Serial Number: T545DCPAOA0249

Registration No.	695020P
Registration Type	SECURITY AGREEMENT
Registration Date	July 28, 2023
Expiry	July 28, 2028
Debtors	MYRA FALLS MINE LTD.
Secured Party	AMALGAMATED MINING & TUNELLING INC.
Collateral: Serial Number Goods	Type: Motor Vehicle (MV) Year: 2023 Make/Model: Sandvik / LH514 Loader Serial Number: SLHL514DKNA0A1038

Registration No.	743864P
Registration Type	SECURITY AGREEMENT
Registration Date	August 23, 2023
Expiry	August 23, 2028
Debtors	MYRA FALLS MINE LTD.
Secured Party	XEROX CANADA LTD
Collateral: Serial Number Goods	NONE

Land Title Act (British Columbia)

Claimant	Registration	PID Number / Legal Description
Mineit Consulting Inc.	Claim of Lien – (CB1111866)	<ul style="list-style-type: none"> • 009-409-939 LOT 1343, CLAYOQUOT DISTRICT • 009-409-947 LOT 1662, CLAYOQUOT DISTRICT • 000-312-576 DISTRICT LOT 1340, CLAYOQUOT DISTRICT • 000-312-584 DISTRICT LOT 1342, CLAYOQUOT DISTRICT • 000-039-195 DISTRICT LOT 1344, CLAYOQUOT DISTRICT • 000-039-209 DISTRICT LOT 1345, CLAYOQUOT DISTRICT • 000-039-187 DISTRICT LOT 1346, CLAYOQUOT DISTRICT

		<ul style="list-style-type: none"> • 000-039-217 DISTRICT LOT 1347, CLAYOQUOT DISTRICT • 000-049-336 DISTRICT LOT 1659, CLAYOQUOT DISTRICT • 000-049-352 DISTRICT LOT 1660, CLAYOQUOT DISTRICT • 000-049-379 DISTRICT LOT 1661, CLAYOQUOT DISTRICT • 000-049-387 DISTRICT LOT 1663, CLAYOQUOT DISTRICT • 000-049-409 DISTRICT LOT 1664, CLAYOQUOT DISTRICT • 000-049-425 DISTRICT LOT 1665, CLAYOQUOT DISTRICT • 000-049-468 DISTRICT LOT 1666, CLAYOQUOT DISTRICT • 000-049-476 DISTRICT LOT 1667, CLAYOQUOT DISTRICT • 000-049-492 DISTRICT LOT 1668, CLAYOQUOT DISTRICT • 000-049-506 DISTRICT LOT 1669, CLAYOQUOT DISTRICT • 000-049-557 DISTRICT LOT 1670, CLAYOQUOT DISTRICT • 000-049-573
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		DISTRICT LOT 1671, CLAYOQUOT DISTRICT • 000-049-328 DISTRICT LOT 1341, CLAYOQUOT DISTRICT
Mineit Consulting Inc.	Claims of Lien -- (CB1113402)	• 009-409-939 LOT 1343, CLAYOQUOT DISTRICT • 009-409-947 LOT 1662, CLAYOQUOT DISTRICT
Thyssen Mining Construction of Canada Ltd.	Claim of Lien - (CB1086176)	• 09-409-939 LOT 1343, CLAYOQUOT DISTRICT • 009-409-947 LOT 1662, CLAYOQUOT DISTRICT
WSP Canada Inc.	Claim of Lien -- (CB1140685)	• 009-409-939 LOT 1343, CLAYOQUOT DISTRICT • 009-409-947 LOT 1662, CLAYOQUOT DISTRICT
WSP E&I Canada Limited	Claim of Lien -- (CB1140686)	• 009-409-939 LOT 1343, CLAYOQUOT DISTRICT • 009-409-947 LOT 1662, CLAYOQUOT DISTRICT

- All charges, security interests or claims evidenced by registrations filed against the following mineral titles:
 - Title Number 201320
 - Title Number 201321
 - Title Number 201322
 - Title Number 201323
 - Title Number 201324
 - Title Number 1069356

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

**ORDER
(REVERSE VESTING ORDER)**

GOWLING WLG (CANADA) LLP
Barristers & Solicitors
Bentall 5, Suite 2300,
550 Burrard Street
Vancouver, BC V6C 2B5
Attention: Jonathan B. Ross

Tel: 604.683.6498 Fax: 604.683.3558

File No. A172589

MD/msh

SCHEDULE 1.1(B)

MINERAL LEASES

Project Area Class A Park

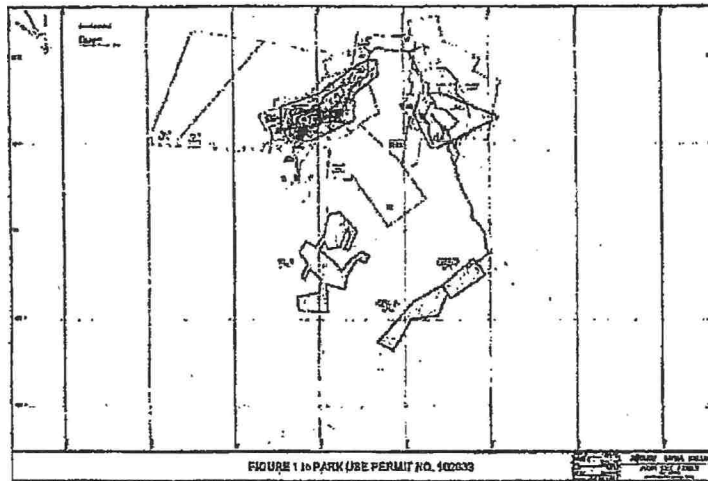


Figure 1: Project Area located in Class A Park

Project Area Class B Park

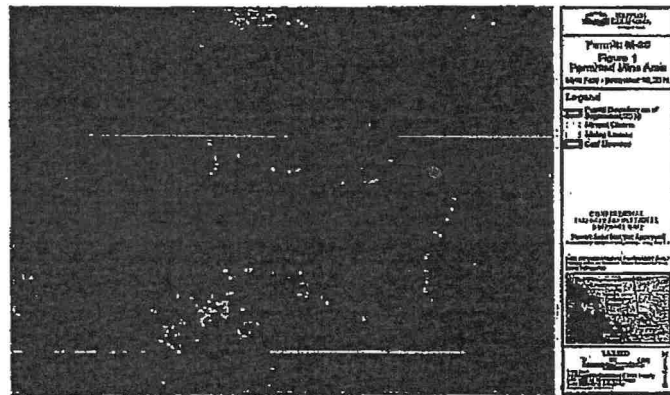


Figure 2: Mine Site boundary depicted in Red line. Note that Park Use Permit boundaries (depicted above as "Permit Boundary" in the legend of this figure) follow the mine lease and mine claim boundary.

SCHEDULE 1.1 (C)**PERMITTED ENCUMBRANCES**

- The Interim Lender's Charge

- **PERSONAL PROPERTY PERMITTED ENCUMBRANCES**

Registration No.	709382P
Registration Type	SECURITY AGREEMENT
Registration Date	August 4, 2023
Expiry	August 4, 2029
Debtors	MYRA FALLS MINE LTD.
Secured Party	LINDE CANADA INC.
Collateral: Serial Number Goods	NONE
General Collateral:	EQUIPMENT SUPPLIED BY THE SECURED PARTY, CONSISTING OF BULK CRYOGENIC STORAGE TANKS USED FOR THE STORAGE, FILLING AND DELIVERY OF INDUSTRIAL AND MEDICAL GASES INCLUDING, WITHOUT LIMITATION, ARGON, HYDROGEN, CARBON DIOXIDE, NITROGEN, NITROUS OXIDE AND OXYGEN, AND CRYOGENIC FREEZERS, TOGETHER WITH ALL RELATED ACCESSORIES, PARTS, COMPONENTS AND ATTACHMENTS AND ALL PROCEEDS OF OR RELATING TO ANY OF THE FOREGOING AS WELL AS ALL PRESENT OR AFTER-ACQUIRED PROPERTY THAT MAY BE DERIVED FROM THE SALE OR OTHER DISPOSITION OF THE COLLATERAL DESCRIBED HEREIN.

Registration No.	295730Q
Registration Type	SECURITY AGREEMENT
Registration Date	April 5, 2024
Expiry	April 5, 2029
Debtors	MYRA FALLS MINE LTD.
Secured Party	TRAFIGURA US INC.

Collateral: Serial Number Goods	Motor Vehicle (MV) Serial Number: 1408
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Registration No.	406736Q
Registration Type	SECURITY AGREEMENT
Registration Date	May 28, 2024
Expiry	May 28, 2029
Debtors	MYRA FALLS MINE LTD.
Secured Party	TRAFIGURA US INC.
Collateral: Serial Number Goods	Motor Vehicle (MV) Serial Number: T740D577; 121A67471-1; T740D604; T545DHNA0A0187

Registration No.	743864P
Registration Type	SECURITY AGREEMENT
Registration Date	August 23, 2023
Expiry	August 23, 2028
Debtors	MYRA FALLS MINE LTD.
Secured Party	XEROX CANADA LTD.
Collateral: Serial Number Goods	Motor Vehicle (MV) Serial Number: T740D577; 121A67471-1; T740D604; T545DHNA0A0187

• **REAL PROPERTY PERMITTED ENCUMBRANCES**

NII

SCHEDULE 2.2
EXCLUDED ASSETS

NIL

SCHEDULE 2.2(C)
EXCLUDED CONTRACTS

- Any and all employment agreements entered into by the Company or any predecessor thereof prior to the Closing Date

SCHEDULE 2.3

RETAINED LIABILITIES

- Stub-period post-filing Claims contemplated by the Updated Cash Flow Projections as referenced and defined in the DIP Facility Term Sheet but not paid yet on the Closing Date
- The Company's obligations and liabilities pursuant to the DIP Facility Term Sheet and the Interim Lender's Charge
- Intercompany Claims
- Any reclamation obligation of the Company as at the Closing Date
- The Company's obligations and liabilities pursuant to the TCL Offtake Agreements and the Mineral Leases
- The Company's obligations and liabilities pursuant to the IBA and the Wharf Lease, as amended by the amendments contemplated in Section 7.2(g) hereof
- The Company's obligations and liabilities pursuant to the Pension Plans including monetary obligations of the Company pursuant to cheques issued to certain Pension Plan members, which remain unrepresented as at the Closing Date
- The Company's obligations and liabilities pursuant to "Letter of Agreement - Pre-1990 Retirees", "Letter of Intent - Voluntary Early Retirement Allowance", "Letter of Intent - 30 year Retirement Supplement" and "Letter of Intent - Early Retiree Benefit Coverage"
- The Company's obligations and liabilities to one former employee under the previous NVI Mining Ltd Myra Falls Operations Salary-Paid Employee's Pension Plan
- The Company's obligations and liabilities pursuant to an agreement to provide Salaried Retiree Life Insurance Benefit under Group Policy No 164717 underwritten by Canada Life
- Corporate indemnities in favour of the Company's directors and officers

SCHEDULE 2.4**EXCLUDED LIABILITIES**

- All pre-filing Claims and liabilities arising from the termination of leases or other contracts
- Pre-Closing Unsecured Employee Claims
- All Claims and liabilities relating to Excluded Contracts

SCHEDULE 2.7(B)**IMPLEMENTATION STEPS**

1. At least three (3) Business Days prior to the Closing Date, the Company shall form Residual Co. in accordance with the terms contained herein, in form satisfactory to the Purchaser, acting reasonably and such entity shall not be a flow through entity for Canadian or U.S. tax purposes unless approved by the Purchaser.
2. No less than five (5) days before the Closing Date, the Company shall obtain director and shareholder approval of its Articles of Amendment.
3. No later than two (2) days prior to the Closing Date, the Company shall file the Articles of Amendment with the applicable Governmental Authority.
4. One (1) day prior to the Closing Date, the Company shall, to the extent they have not done so already, terminate all employees deemed to be Terminated Employees pursuant to Section 8.5.
5. At Closing:
 - a. the Excluded Assets and the Excluded Liabilities shall be transferred from the Company to Residual Co. and Residual Co. shall assume the Excluded Liabilities in consideration of the transfer of the Excluded Assets;
 - b. the Company shall direct the DIP Repayment Amount to be paid to the DIP Lender and the Purchaser shall pay the DIP Repayment Amount to the DIP Lender;
 - c. the Company shall issue the Purchased Shares;
 - d. all outstanding Equity Interests in the Company shall be cancelled; and
 - e. upon confirmation of receipt of the DIP Repayment Amount by the DIP Lender delivered to the Company and the Monitor, the Interim Lender's Charge shall be released against the Company and its assets; and
 - f. the Monitor shall deliver the Monitor's Certificate and hold the Administrative Expense Amount for the beneficiaries thereof.

[NOTE: Schedule subject to change up to 2 days prior to the Closing Date]

SCHEDULE 4.4**TAX**

The Company was initially incorporated under the *Canada Business Corporations Act* and continued under the *Business Corporations Act* (British Columbia) on December 27, 2013.

The Company's Tax and corporate numbers are:

Business Number Federal Tax ID: 871209060
Corporation Number: C0989527
BC Tax ID: 1001-7807

SCHEDULE 7.1(D)**TRANSACTION REGULATORY APPROVALS**

1. ICA Clearance
2. Change of control approval pursuant to Park Use Permit (PUP 102201)
3. Change of control approval pursuant to Park Use Permit (PUP 102633)

Appendix B

Ninth Cash Flow Forecast for the
98-week period ending October 31, 2025

Myra Falls Mine Ltd.
Ninth Cash Flow Statement
For the 36-week period ending October 31, 2025

Week Ending 13-Jun-25 (C.D.S. thousands)	Notes	Weeks 1-78 Actual	Week 79 20-Jun-25 Forecast	Week 80 27-Jun-25 Forecast	Week 81 4-Jul-25 Forecast	Week 82 11-Jul-25 Forecast	Week 83 18-Jul-25 Forecast	Week 84 25-Jul-25 Forecast	Week 85 1-Aug-25 Forecast	Week 86 8-Aug-25 Forecast	Week 87 15-Aug-25 Forecast	Week 88 22-Aug-25 Forecast	Week 89 29-Aug-25 Forecast	Week 90 5-Sep-25 Forecast	Week 91 12-Sep-25 Forecast	Week 92 19-Sep-25 Forecast	Week 93 26-Sep-25 Forecast	Week 94 3-Oct-25 Forecast	Week 95 10-Oct-25 Forecast	Week 96 17-Oct-25 Forecast	Week 97 24-Oct-25 Forecast	Week 98 31-Oct-25 Forecast	Total	
Operating Receipts																								
Sales	[1]	7,130	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,130	
Other receipts	[2]	9,696	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9,696	
Total Operating Receipts																								
		16,826																					16,826	
Operating Disbursements																								
Payroll and Benefits	[3]	(22,054)	(139)	(100)	(293)	(120)	(304)	(60)	(113)	(225)	(161)	(225)	(193)	(189)	(220)	(213)	(420)						(25,030)	
Consultants and Contractors	[4]	(13,228)	(400)	(180)	(160)	(154)	(154)	(154)	(134)	(131)	(131)	(131)	(131)	(120)	(100)	(100)	(250)						(15,647)	
Pension Fund Contributions	[5]	20	(58)	-	-	-	-	-	-	-	-	-	-	-	-	-	-						(39)	
Fuel	[6]	(1,931)	(31)	(17)	(17)	(17)	(17)	(17)	(17)	(17)	(17)	(17)	(17)	(17)	(17)	(17)	(17)						(2,200)	
Materials and Supplies	[7]	(2,680)	(56)	(31)	(29)	(29)	(29)	(29)	(29)	(29)	(29)	(29)	(29)	(27)	(27)	(27)	(27)						(3,134)	
Leases	[8]	(1,476)	(1)	(411)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)						(1,899)	
Other operating disbursements	[9]	(8,534)	(11)	(11)	(312)	(11)	(11)	(11)	(11)	(872)	(11)	(391)	(412)	(11)	(11)	(11)	(11)						(8,864)	
Total Operating Disbursements																								
		(49,885)	(696)	(749)	(1,012)	(332)	(516)	(272)	(305)	(1,275)	(350)	(794)	(783)	(365)	(377)	(370)	(727)						(58,292)	
Net Change in Cash from Operations																								
		(33,059)	(696)	(749)	(1,012)	(332)	(516)	(272)	(305)	(1,275)	(350)	(794)	(783)	(365)	(377)	(370)	(727)						(41,967)	
Non-Operating Items																								
Capital Expenditures	[10]	(235)	-	(70)	-	(191)	-	-	-	-	(224)	-	-	-	(243)	-	-						(964)	
Impact Benefit Agreement	[11]	(1,077)	-	(141)	-	-	-	-	(20)	-	-	-	-	-	-	-	-						(1,238)	
Restructuring Professional Fees	[12]	(6,493)	(54)	(336)	-	-	(581)	-	-	-	(485)	-	-	(477)	-	(449)	-						(8,888)	
Administrative Expense Amount	[13]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(100)	-						(100)	
Net Change in Cash from Non-Operating Items																								
		(7,806)	(54)	(547)	-	(191)	(581)	(581)	(20)	(709)	-	-	-	(477)	(243)	(449)	-						(11,191)	
Financing																								
Interim Financing	[14]	41,500	-	-	1,000	500	500	1,000	500	1,000	1,000	1,000	1,000	500	500	500	628						51,128	
Net Change in Cash from Financing																								
		41,500			1,000	500	500	1,000	500	1,000	1,000	1,000	1,000	500	500	500	628						51,128	
Effect of Foreign Exchange Translation																								
		(18)																					(18)	
Net Change in Cash																								
		618	(750)	(1,297)	(12)	(23)	(16)	147	175	(275)	(59)	206	217	(342)	(120)	130	(547)						(2,047)	
Opening Cash																								
		2,047	2,665	1,915	618	606	583	567	714	889	614	555	761	978	636	517	647	100						2,047
Ending Cash																								
		\$ 2,665	\$ 1,915	\$ 618	\$ 606	\$ 583	\$ 567	\$ 714	\$ 889	\$ 614	\$ 555	\$ 761	\$ 978	\$ 636	\$ 517	\$ 647	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

Notes:
Management has prepared the 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 to receipts from Realizations of shipments made prior to the Filing Date. All receipts were 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, demobilization and asset maintenance.
(4) Consultants and contractors includes supporting safety and environmental services, demobilization and asset maintenance.
(5) Pension Fund Contributions relate to the correction of certain over and under-contributions identified by the Pensioner to its defined contribution pension plan.
(6) Fuel payments are forecast to reflect the ongoing care and maintenance activities.
(7) Materials and supplies relates to certain consumable items required for the care and maintenance activities, including certain items required to comply with environmental regulations.
(8) The forecast for the forecast period is based on the forecast for the forecast period, which includes the forecast for the forecast period, which includes the forecast for the forecast period.
(9) Other operating disbursements includes other overhead costs, such as information technology and human resources as well as property taxes and payments related to reclamation bond and insurance premiums.
(10) Capital expenditures largely relate to certain mill projects and environmental related maintenance.
(11) Projected payments include the quarterly budgeted implementation funding pursuant to the Impact Benefit Agreement.
(12) Restructuring professional fees include the fees and disbursements of the Pensioner's legal counsel, the Monitor, the Monitor's legal counsel, the Financial Advisor and a contingency for other advisors.
(13) The Administrative Expense Amount is the amount that shall be paid to the Monitor on the Closing Date and held by the Monitor to wind-down the CCAA Proceedings and bankrupt Renishaw Co.
(14) Interim financing of \$51.1 million, from which \$41.5 million has been received, is forecast to be extended over the forecast period, with any and all applicable interest and fees being paid in kind.