



No. S238572
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

NOTICE OF APPLICATION

Name of Applicant: Myra Falls Mine Ltd. (the "Applicant")

TO: THE SERVICE LIST

TAKE NOTICE that an application will be made by the Applicant, Myra Falls Mine Ltd., before Justice Fitzpatrick at the Courthouse at 800 Smithe Street, Vancouver, British Columbia, on Thursday, August 21, 2025 at 03:45 p.m. for an Order set out in Part 1 below.

The applicant estimates that the application will take **15 minutes** (as arranged through Trial Scheduling)

☒ This matter is before Justice Fitzpatrick.

PART 1: ORDER(S) SOUGHT

1. The Applicant seeks the following under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**"):

(a) An order substantially in the form attached hereto as **Schedule "A"** (the "**PIC Approval Order**"), granting *inter alia*, the following relief:

(i) confirming that the time for service of the Notice of Application and supporting materials is abridged such that the Notice of Application is

properly returnable on August 21, 2025 and service thereof is dispensed with;

- (ii) authorizing the Applicant to enter into a second Continuous Premium Instalment Contract (the "**PIC**") with CAFO Inc. ("**CAFO**") pursuant to which CAFO shall provide financing to the Petitioner for the purchase of one or more policies of insurance (the "**Financed Policies**"), and granting CAFO a first-ranking priority Court-Ordered charge to the unearned premium of such Financed Policies; and
- (b) such further and other relief as counsel for the Applicant may request and this Honourable Court may deem just.

PART 2: FACTUAL BASIS

Capitalized Terms

1. Capitalized terms used but not otherwise defined in this Application have the meanings ascribed to them in the Affidavit #11 of Hein Frey affirmed August 12, 2025 (the "**Frey Affidavit #11**") or the amended and restated initial order granted in these proceedings by the Honourable Justice Fitzpatrick dated December 28, 2023 (the "**ARIO**").

Background

2. On August 2, 2024, this Court granted an order (the "**Stay Extension and Additional Relief Order**"), which among other things authorized the Company to enter into a financing agreement with CAFO with respect to the financing by CAFO of the premium payable by the Company in relation to certain insurance policies, and granting CAFO a first-ranking priority Court-ordered charge to the unearned premium of such insurance policies.

3. MFM's insurance policies were set to renew on July 1, 2025. Historically, the Company has financed the annual premiums due under various of its insurance policies.

The PIC Approval Order

4. MFM is seeking approval of the PIC between the Company and CAFO, pursuant to which CAFO will provide financing to the Company for the purchase of the Financed Policies.

Such arrangement is consistent with MFM's historical approach and the relief sought in the Stay Extension and Additional Relief Order.

5. Financing the Financed Policies will assist with MFM's liquidity. As a requirement for CAFO to provide financing, CAFO has required an order which, among other things, provide that none of the Charges or Encumbrances apply to the Unearned Premiums (as defined in the PIC Approval Order).

6. The proposed order is on the same terms as the corresponding relief in the Stay Extension and Additional Relief Order granted by this Court on August 2, 2024.

7. Among other things, the proposed PIC Approval Order provides that:

- (a) the Charges, or any Encumbrances or any further security interests, trusts, liens, mortgages, charges and encumbrances and claims, statutory or otherwise in favour of any person, including those which may be created in this proceeding are not applicable to any unearned premiums under the Financed Policies; and
- (b) in the event of a payment default under the PIC, CAFO will be permitted without further order of the Court, to exercise its rights under the PIC and to cancel the Financed Policies and to receive any unearned premiums that may be refunded by the insurer as a result of the same.

8. The Monitor supports approval of the PIC and related relief in the PIC Approval Order.

PART 3: LEGAL BASIS

The PIC Approval Order should be Approved

9. The Applicant is seeking approval of the PIC between the Company and CAFO. It is crucial to MFM's business that it maintains its Financed Policies.

10. Section 11.2 (1) of the CCAA provides that "on application by a debtor company and on notice to the secured creditors who are likely to be affected by the security or charge, a court may make an order declaring that all or part of the company's property is subject to a security or charge — in an amount that the court considers appropriate — in favour of a person specified in the order who agrees to lend to the company an amount approved by the court as being

required by the company, having regard to its cash-flow statement. The security or charge may not secure an obligation that exists before the order is made”.

11. Section 11.2(2) provides that the court may order that the security or charge rank in priority over the claim of any secured creditor of the company.

12. Sub-section 11.2(4) of the CCAA provides that in determining whether to grant the charge, the Court should consider, among other things, the following factors:

- (a) the period during which the company is expected to be subject to proceedings under the CCAA;
- (b) how the company's business and financial affairs are to be managed during the proceedings;
- (c) whether the company's management has the confidence of its major creditors;
- (d) whether the loan would enhance the prospects of a viable compromise or arrangement being made in respect of the company;
- (e) the nature and value of the company's property;
- (f) whether any creditor would be materially prejudiced as a result of the security or charge; and
- (g) the monitor's findings in its report, if any.

13. Canadian courts have approved financing agreements under CCAA proceedings for renewing and financing the debtor company's insurance policies. See for example:

In the Matter of Hudson's Bay Company ULC, Amended and Restated Initial Order of Osborne J. dated March 21, 2025 (Court File No. CV-25- 00738613-00CL);

In the Matter of Tacora Resources Inc., Approval of A&L Premium Finance Agreement of Kimmel J. dated March 18, 2024 (Court File No. CV-23- 00707394-00CL).

14. In the circumstances, the Petitioner believes that the request for the PIC Approval Order is appropriate and justified.

15. The Monitor supports approval of the PIC and related relief in the PIC Approval Order.

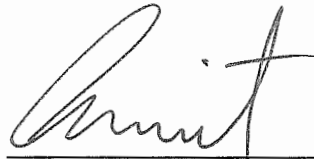
PART 4: MATERIAL TO BE RELIED ON

1. Affidavit #11 of Hein Frey, affirmed August 12, 2025

TO THE PERSONS RECEIVING THIS NOTICE OF APPLICATION: If you wish to respond to this notice of application, you must, within 5 business days after service of this notice of application or, if this application is brought under Rule 9-7, within 8 business days after service of this notice of application,

- (a) file an application response in Form 33,
- (b) file the original of every affidavit, and of every other document, that
 - (i) you intend to refer to at the hearing of this application, and
 - (ii) has not already been filed in the proceeding, and
- (c) serve on the applicant 2 copies of the following, and on every other party one copy of the following:
 - (i) a copy of the filed application response;
 - (ii) a copy of each of the filed affidavits and other documents that you intend to refer to at the hearing of this application and that has not already been served on that person.

Date: August 13, 2025



Signature of Amarit Bains
Counsel for the Applicant, Myra Falls
Mine Ltd.

To be completed by the Court only:
Order made

- [] in the terms requested in paragraphs _____ of Part 1
of this notice of application
- [] with the following variations and additional terms:

Date: _____ Signature of ☐ Judge ☐ Associate Judge

APPENDIX

[The following information is provided for data collection purposes only and is of no legal effect.]

THIS APPLICATION INVOLVES THE FOLLOWING:

[Check the box(es) below for the application type(s) included in this application.]

- ☐ discovery: comply with demand for documents
- ☐ discovery: production of additional documents
- ☐ other matters concerning document discovery
- ☐ extend oral discovery
- ☐ other matter concerning oral discovery
- ☐ amend pleadings
- ☐ add/change parties
- ☐ summary judgment
- ☐ summary trial
- ☐ service
- ☐ mediation
- ☐ adjournments
- ☐ proceedings at trial
- ☐ case plan orders: amend
- ☐ case plan orders: other
- ☐ experts
- ☒ other

SCHEDULE "A"

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

(RE. CONTINUOUS PREMIUM INSTALMENT CONTRACT)

BEFORE THE HONOURABLE)	
JUSTICE FITZPATRICK)	August 21, 2025
)	

THE APPLICATION of the Petitioner, coming on for hearing before me at the courthouse at 800 Smithe Street, Vancouver, British Columbia, on the 21st day of August, 2025; AND ON HEARING Amarit Bains, counsel for the Petitioner and those other counsel listed on **Schedule "A"** hereto; AND UPON READING the materials filed, including the Affidavit #11 of Hein Frey, affirmed on August 12, 2025 (the "**Affidavit**"); 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 dated August 12, 2025 and supporting materials is hereby abridged such that the Notice of Application is properly returnable today.

2. Capitalized terms used in this Order and not otherwise defined herein shall have the meaning given to them in the amended and restated initial order granted in these proceedings by the Honourable Justice Fitzpatrick dated December 28, 2023 (the "**ARIO**") or the Affidavit.

CONTINUOUS PREMIUM INSTALMENT CONTRACT

3. The Petitioner is hereby authorized and empowered to enter into a second Continuous Premium Instalment Contract (the "**PIC**") with CAFO Inc. ("**CAFO**") pursuant to which CAFO shall provide financing to the Petitioner for the purchase of one or more policies of insurance (the "**Financed Policies**").

4. In the event of a payment default under the PIC, CAFO shall be permitted without further order of the Court, to exercise its rights under the PIC to cancel the Financed Policies and to receive any unearned premiums (the "**Unearned Premiums**") that may be refunded by the insurers as a result of the same.

5. Notwithstanding any provision in the ARIO or any other order in these proceedings, none of the Charges, or any Encumbrances existing as of the date hereof or any further security interests, trusts liens, mortgages, charges and encumbrances and claims, statutory or otherwise in favour of any person, including those which may be created in this proceeding, apply to the Unearned Premiums.

GENERAL

6. The Petitioner, the Monitor, or the Interim Lender, may from time to time apply for such further or other directions as may be necessary or desirable to give effect to this Order, including, without limitation, the discharge of their respective powers and duties under this Order, or any matter in connection therewith.

7. Endorsement of this Order by counsel appearing on this application other than counsel for the Petitioner is hereby dispensed with.

THIS COURT REQUESTS the aid and recognition of other Canadian and foreign Courts, tribunal, regulatory or administrative bodies, including any Court or administrative tribunal of any

federal or State Court or administrative body in the United States of America, to act in aid of and to be complementary to this Court in carrying out the terms of this Order where required. 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 officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Petitioner and the Monitor and their respective agents in carrying out the terms 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 Amarit Bains
Lawyer for the Petitioner

BY THE COURT

REGISTRAR

Schedule "A"

LIST OF COUNSEL

COUNSEL NAME	PARTY REPRESENTED

SCHEDULE "A"

No. S-238572
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PETITIONER

ORDER
(RE. CONTINUOUS PREMIUM INSTALMENT CONTRACT)

GOWLING WLG (CANADA) LLP

Barristers & Solicitors
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Vancouver, BC V6C 2B5
Attention: Jonathan B. Ross

Tel: 604.683.6498 Fax: 604.683.3558

File No. A172589

MD/SPK

No. S-238572
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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

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**NOTICE OF APPLICATION
(CAFO ORDER)**

GOWLING WLG (CANADA) LLP

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JRB/MD