



Affidavit of Hein Frey #9
affirmed: March 31, 2025

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 THE PLAN OF COMPROMISE AND ARRANGEMENT OF
MYRA FALLS MINE LTD.

AFFIDAVIT

I, **HEIN FREY**, of the City of Paarl, Western Cape, South Africa, AFFIRM THAT:

1. I am the former General Manager and a consultant at Myra Falls Mine Ltd. (referred to in this affidavit as the "Company" or "MFML"). In my role as a consultant, I support the Company in its operations and restructuring efforts. I have been involved in various financial and operational capacities with the Company since May of 2023. As a result, I have personal knowledge of the matters to which I hereinafter depose save and except where I refer to matters based on information and belief, in which case I verily believe that information to be true.

2. Capitalized terms used in this affidavit and not otherwise defined herein have the meaning given to them in my eighth affidavit affirmed on January 21, 2025 (the "Eighth Affidavit") or the Order of this Honourable Court granted on December 28, 2023 (the "ARIO").

Relief Being Sought

3. This affidavit is being filed in support of an application by the Company pursuant to the *Companies' Creditors Arrangement Act* (Canada) (the "CCAA"), seeking the following:

- (a) an order for among other things (the "Stay Extension Order"):

- (i) granting a further extension of the Stay Period up to and including July 31, 2025; and
 - (ii) authorizing MFM to borrow up to an additional amount of CDN\$8million (for an aggregate principal amount of CDN\$45million) pursuant to the terms of the DIP Term Sheet (as amended, including pursuant to the Fifth DIP Amendment (as defined below)) and granting a corresponding increase in the amount of the Interim Lender's Charge, bringing such charge to CDN\$45 million (plus accrued and unpaid interest, fees and expenses);
- (b) a stalking horse and second sale and investment solicitation process approval order (the "**Stalking Horse and Second SISP Approval Order**");
- (i) approving a second sale and investment solicitation process (the "**Second SISP**") pursuant to which the Stalking Horse Agreement (as defined below) will serve as the Stalking Horse Bid (as defined below) and authorizing MFM to implement the Second SISP pursuant to its terms;
 - (ii) authorizing and approving MFM's execution of the stalking horse subscription agreement (the "**Stalking Horse Agreement**") between MFM and Trafigura Holding S.à r.l. (including an assignee of Trafigura Holding S.à r.l., if any, the "**Stalking Horse Purchaser**") dated March 31, 2025;
 - (iii) authorizing and approving the Expense Reimbursement Amount (as defined below);
 - (iv) authorizing, *nunc pro tunc*, MFM to enter into an engagement agreement (the "**Engagement Agreement**") with FTI Capital Advisors – Canada ULC (the "**Financial Advisor**") pursuant to which the Financial Advisor will assist MFM in connection with the Second SISP;
 - (v) declaring that the Financial Advisor is entitled to the benefit of the Administration Charge as security for the Financial Advisor Compensation; and

- (vi) authorizing and directing MFM and the Monitor to perform their respective obligations and do all things reasonably necessary to perform their obligations under the Second SISP.

Activities Since Prior Court Appearance

4. Since the Company last appeared before this Honourable Court on January 29, 2025, the Company has in good faith and with due diligence:
- (a) arranged, prepared for and attended the Mediation, as further described below;
 - (b) facilitated the auction conducted by Maynards pursuant to the Auction Agreement approved by this Honourable Court on January 29, 2025;
 - (c) corresponded with the British Columbia Financial Services Authority and continued the work required to correct prior DC Plan contributions errors;
 - (d) corresponded with various pre-filing creditors in response to queries or claims made by them;
 - (e) developed the Second SISP, in consultation with the Monitor and began the process of gathering and preparing information that will be required to be uploaded to the data-site to be established as part of the Second SISP;
 - (f) prepared and negotiated the Stalking Horse Agreement;
 - (g) prepared materials in support of this application;
 - (h) reviewed various of its contracts, permits and licences to determine required adjustments as a result of the transaction contemplated by the Stalking Horse Agreement;

- (i) with the assistance of the Monitor, prepared the updated cash flow forecast and considered the adequacy of DIP funding up to and including July 31, 2025;
- (j) negotiated and obtained a commitment for additional DIP Financing from the DIP Lender;
- (k) completed its statutorily required annual reports to the Ministry of Environment and Parks as well as to the Ministry of Mining and Critical Minerals;
- (l) held a site inspection with Environment and Climate Change Canada enforcement officers;
- (m) held a meeting with the environment committee established pursuant to the Impact and Benefit Agreement among the Company, Campbell River Indian Band (Wei Wai Kum First Nation) and Cape Mudge Indian Band (Wei Wai Kai First Nation) to discuss environmental monitoring and the preparation of a protocol related thereto;
- (n) maintained ongoing stakeholder engagement with the Campbell River Environment Committee, a local environmental group, to assure stakeholders of environmental compliance and adequate site management while the operations are in care and maintenance. Two informal meetings were held and a site tour has been tentatively scheduled for May 2025; and
- (o) completed four in person site inspections from the Inspector of Mines, with no critical or significant new orders issued as a result of these inspections. An additional audit was conducted remotely. The Inspector of Mines lifted three previously issued orders, issued three advisories and made three information requests to which the Company is attending.

Mediation

5. This Honourable Court issued the Mediator Appointment Order on January 29, 2025 and appointed William Kaplan, K.C. as an officer of the Court to assist the parties with the negotiations related to the MOA and Collective Bargaining Agreement amendments.
6. The Mediation took place in person in Vancouver on February 18th and February 20th, 2025, with the members of the Union's bargaining committee and one counsel to the Company attending virtually. During the Mediation, the Petitioner diligently engaged with the Mediator and presented various options in response to requests made by the Union.
7. Unfortunately, despite the efforts by the Petitioner, the Mediation concluded without the parties reaching an agreement. As a result, negotiations with the Union have once again stalled and the Petitioner does not believe that further negotiations will yield a different result.
8. On March 11, 2025, following the Mediation, UNIFOR issued a press release (the "Press Release") quoting representatives of UNIFOR that were not present at the Mediation. Attached and marked as **Exhibit "A"** is a copy of the Press Release. The Company strongly disagrees with the statements made by the Union in the Press Release. Given the confidentiality restrictions to which the Mediation was subject and despite its strong disagreement with the statements made in the Press Release, the Company has not made any public statement in response to the Press Release and instead focussed on the preparation and negotiation of the Stalking Horse Agreement.

The Stalking Horse and Second SISP Approval Order

9. Following the conclusion of the Mediation, MFM negotiated a restructuring transaction (the "Transaction") with the Stalking Horse Purchaser which will enable MFM to emerge from these proceedings with the mine under care and maintenance. Before seeking Court approval

of the Transaction, MFM wishes to canvass the market for arm's length parties' interests in MFM, Property and Business.

10. Accordingly, MFM is seeking the Stalking Horse and Second SISP Approval Order which includes the following key aspects: (i) authorizes the reappointment of the Financial Advisor, (ii) approves the Second SISP, and (iii) approves the form of the Stalking Horse Agreement to be entered into between the Stalking Horse Purchaser and MFM for the purposes of serving as the stalking horse bid in the Second SISP (the "Stalking Horse Bid").

The Second SISP

11. MFM, in consultation with the Monitor, developed the Second SISP in order to canvass the market for possible transactions with non-related parties that could provide superior consideration to that contemplated under the Stalking Horse Bid. The proposed guidelines for the Second SISP are attached as Schedule A (the "SISP Guidelines") to the form of draft Stalking Horse and Second SISP Approval Order being sought.

12. Capitalized terms used in this section of my affidavit that are not otherwise defined have the meanings ascribed to them in the SISP Guidelines.

13. The Second SISP is similar in many ways to the first sale and investment solicitation process (the "First SISP") that was approved by this Honourable Court on February 27, 2024 although important changes have been made to provide the Monitor with a greater role in the implementation of the process.

14. In addition, restrictions have been added to the Second SISP to:

- (i) limit the number of representatives of MFM that will be involved in the Second SISP and require that they keep the information they receive

during the SISP confidential (subject to one exception that I describe in (iii) below);

- (ii) remove most consent rights that were provided to the DIP Lender under the First SISP. Under the Second SISP, the DIP Lender only has consent rights if the Monitor and the Company propose to accept a bid as a Phase 1 Qualified Bid or Phase 2 Qualified Bid even if it does not meet the "Minimum Consideration" requirement, or to extend the October 31, 2025 Outside Date; and
- (iii) limit the information that the DIP Lender can receive to interim anonymized and aggregated progress reports.

15. Similar to the First SISP approved by the Court, the Second SISP contemplates a two-phase sale process, which could be terminated after Phase 1 if no Phase 1 Qualified Bids are received by the Phase 1 Qualified Bid Deadline.

16. The key milestones and deadlines in the Second SISP are as follows:

Event	Timing
Phase 1	
Notice Monitor to publish a notice of the Second SISP on the Monitor's Website Financial Advisor to publish notice of the Second SISP in industry trade or other publications, as determined appropriate Financial Advisor to distribute Teaser Letter and NDA to potentially interested parties	No later than April 11, 2025
Phase 1 - Access to VDR Phase 1 Bidders provided access to the VDR, subject to execution of appropriate NDAs	Commencing April 17, 2025

Phase 1 Bid Deadline Deadline for Phase 1 Bidders to submit non-binding LOIs	By no later than May 27, 2025 at 12:00 p.m. (Pacific Time)
Notification of Phase 1 Qualified Bid Deadline to notify a Phase 1 Bidder whether it has been designated as a Phase 2 Bidder invited to participate in Phase 2	By no later than June 3, 2025 at 12:00 p.m. (Pacific Time)
If no Phase 1 Qualified Bid are received other than the Stalking Horse Bid	
Selection of Stalking Horse Bid as Successful Bid	June 3, 2025
Hearing of Approval Motion (as defined below) (subject to Court availability)	No later than June 30, 2025
Closing of Stalking Horse Bid	September 30, 2025 or such other date as may be agreed to between the parties to the Stalking Horse Agreement not to be later than October 31, 2025
If Phase 1 Qualified Bids are received in addition to the Stalking Horse Bid	
Phase 2	
Phase 2 Bid Deadline Phase 2 Bid Deadline (for delivery of definitive offers by Phase 2 Bidders)	By no later than July 15, 2025 at 12:00 p.m. (Pacific Time)
Auction (if needed)	July 21, 2025
Selection of Successful Bid and Back-Up Bid	By no later than 12:00 p.m. (Pacific Time) on July 21, 2025 or such later date immediately thereafter if the Auction is not completed in one day
Definitive Documentation Deadline for completion of definitive documentation in respect of a Successful Bid and Back-Up Bid	By no later than July 30, 2025
Approval Motion Hearing of Approval Motion in respect of Successful Bid (subject to Court availability)	Week of August 18, 2025
Outside Date – Closing Outside Date by which the Successful Bid must close	No later than October 31, 2025

Phase 1 overview

17. To participate in Phase 1 of the Second SISP, and prior to distribution of any confidential information, a Potential Bidder must deliver to the Financial Advisor an executed NDA. Once a NDA is received, Potential Bidder(s) will be granted access to a confidential virtual data room in order to conduct due diligence.

18. Phase 1 will consist of an initial due diligence period ending with the submission of non-binding letters of intent on or before the Phase 1 Bid Deadline. The Second SISP includes various requirements for the information to be incorporated in the LOI, as set out in further detail in paragraph 16 of the SISP Guidelines.

19. MFM, in consultation with the Financial Advisor and the Monitor, will then assess the LOIs by the Phase 1 Bid Deadline and MFM will determine whether such LOIs constitute Phase 1 Qualified Bids. At that stage, MFM, in consultation with the Financial Advisor, and with the consent of the Monitor, may reject any LOI if it determines that such LOI does not constitute a Phase 1 Qualified Bid, is otherwise inadequate or insufficient, or is otherwise contrary to the best interest of MFM and its creditors and other stakeholders.

20. If MFM, in consultation with the Financial Advisor and with the consent of the Monitor, has determined that they have received no Phase 1 Qualified Bids, then the Stalking Horse Bid will be deemed the Successful Bid and MFM will seek court approval of the Stalking Horse Agreement and the transactions contemplated therein. If there is at least one Phase 1 Qualified Bid (other than the Stalking Horse Agreement), the Second SISP will proceed to Phase 2.

Phase 2 overview

21. Phase 2 of the Second SISP affords Phase 2 Bidders with an opportunity to perform further due diligence and submit a Phase 2 Bid.

22. To qualify as a Phase 2 Bid, certain requirements must be met, as set out in paragraph 26 of the SISP Guidelines. At a high level, all Phase 2 Bids must be accompanied by: a non-refundable good faith cash deposit equal to the greater of (i) 5% of the total cash component of the purchase price contemplated by such Phase 2 Bid; and (ii) \$2,500,000, which will be paid to the Monitor and held in trust until the earlier of: (a) closing of the Successful Bid or Back-Up Bid, as applicable; and (b) rejection of the Phase 2 Bid.

23. MFM, in consultation with the Financial Advisor and the Monitor will assess the Phase 2 Bids received and will determine whether such Phase 2 Bids constitute Phase 2 Qualified Bids. At that stage, MFM, in consultation with the Financial Advisor and with the consent of the Monitor, may reject any Phase 2 Bid if it is determined that such Phase 2 Bid does not constitute a Phase 2 Qualified Bid, is otherwise inadequate or insufficient, or is otherwise contrary to the best interests of MFM and its creditors and other stakeholders.

24. If MFM, in consultation with the Financial Advisor and with the consent of the Monitor has determined that it has received no Phase 2 Qualified Bids, then the Stalking Horse Bid shall be deemed the successful bid, and MFM will seek court approval of the Stalking Horse Agreement and the transactions contemplated therein.

25. If at least one Phase 2 Qualified Bid in addition to the Stalking Horse Bid is received, then a Successful Bid will be identified through an auction (the "Auction"). The Auction will be conducted in accordance with the procedure listed in the SISP Guidelines, and at the conclusion of the Auction, the Monitor, in consultation with MFM, will determine which Auction Bidders have submitted (1) the Successful Bid; and (2) the next highest and otherwise second-best Phase 2 Qualified Bid of the Auction (the "Back-Up Bid").

26. Any sale of, or investment in, the Business and Property under the SISP Guidelines, will be on an "as is, where is" basis and without surviving representations or warranties of any kind, nature, or description.
27. The consummation of the transaction contemplated by the Successful Bid, or the Back-Up Bid if the Successful Bid does not close, will be subject to Court approval.
28. I believe that the SISP Guidelines are fair and reasonable in the circumstances and establish an appropriate framework to assess if the Stalking Horse Bid is the best available transaction for MFM's business at this time.
29. I believe that the Second SISP is warranted at this stage of these proceedings because:
- (a) MFM has conducted material work since the First SISP that may affect the market for a sale or other restructuring transaction, including:
 - (i) developing an updated mine plan by reworking the mine's operational plan, including revisions and optimizations to mine design techniques employed and annual production targets; and
 - (ii) subleasing the Discovery Terminal;
 - (b) external market factors have changed since the First SISP, including those related to the price of Zinc; and
 - (c) in the event that a Second SISP does not produce any bid higher or better than the Stalking Horse Bid, it will demonstrate that the Stalking Horse Bid is the highest and best bid, which, if approved by the Court, would enable MFM to exit these proceedings.

The Stalking Horse Agreement

30. The Stalking Horse Agreement between MFM and the Stalking Horse Purchaser will serve as the basis for the Stalking Horse Bid in the Second SISP. A copy of the Stalking Horse Agreement is attached hereto as **Exhibit "B"**.

31. Capitalized terms used in this section of my affidavit that are not otherwise defined have the meanings ascribed to them in the Stalking Horse Agreement.

32. Approval of the Stalking Horse Agreement on this application is only being sought for the purposes of approving it as the Stalking Horse Bid under the Second SISP. To the extent the Stalking Horse Agreement is ultimately designated as the Successful Bid in the Second SISP, further approval will be sought from the Court to consummate the transactions contemplated therein.

33. The significant terms of the Stalking Horse Agreement include, among other things:

Purchaser	Trafigura Holding S.A.R.L.
Closing Date	September 30, 2025 or such other date agreed to by the Parties in writing but in any event no later than October 31, 2025.
2.1 Agreement to Subscribe for and Issue Purchased Shares	Subject to the terms and conditions of the Stalking Horse Agreement, at the Closing Time, MFM will issue to the Stalking Horse Purchaser, and the Stalking Horse Purchaser shall subscribe for that number of shares in the share capital of MFM from treasury, to be specified by the Stalking Horse Purchaser at least two (2) days prior to Closing, which shares shall be issued as fully paid and shall be free and clear of all Encumbrances.
2.3 Retained Liabilities	In addition to the payment of the Purchase Price, the Purchaser is agreeing to retain significant obligations of the Company that are set out in Section 2.3, including the Company's obligations under certain agreements with First

	Nations, its pension plans, its environmental reclamation obligations and inter-company transactions and agreements. The Company's obligations under the DIP Facility Term Sheet are also Retained Liabilities although they will be repaid on Closing by way of the "DIP Repayment Amount".
2.5 Transfer of Excluded Liabilities to Residual Co.	On the Closing Date, pursuant to the terms of the Approval and Reverse Vesting Order, MFM shall assign and transfer the Excluded Liabilities (including Pre-Closing Unsecured Employment Liabilities) to Residual Co. All of the Excluded Liabilities shall be discharged from MFM and its assets 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, MFM 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.
3.1. Purchase Price	<p>The total aggregate consideration payable by the Stalking Horse Purchaser for the Purchased Shares is as follows:</p> <ul style="list-style-type: none"> (i) an amount sufficient to repay in cash on Closing all obligations under the DIP Facility Term Sheet as of the Closing Date, which amount is currently approximately \$34M and anticipated to be in excess of \$45M at Closing. This amount is referred to as the "DIP Repayment Amount" in the Stalking Horse Agreement; (ii) the CCAA Process Expense Amount, and (iii) the Priority Payment Amount.
7.1 Conditions for the Benefit of the Stalking Horse Purchaser and MFM	The obligations of the Stalking Horse Purchaser and MFM to consummate the transactions are subject to the satisfaction of minimal conditions the most substantial of which are the obtaining of certain Transaction Regulatory Approvals and the entry into of a new credit agreement between the Purchaser or one of its affiliates and the Company in order to provide the Company with post-closing working capital.

7.2 Conditions for the Benefit of the Stalking Horse Purchaser	<p>The obligation of the Stalking Horse Purchaser to consummate the transactions contemplated by the Stalking Horse Agreement is subject to the satisfaction of certain customary conditions and the following additional conditions:</p> <ul style="list-style-type: none">(a) <u>Implementation Steps</u> - MFM shall have completed the Implementation Steps that are required to be completed prior to Closing, in form and substance reasonably acceptable to the Stalking Horse Purchaser;(b) <u>Terminated Employees</u> - MFM 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 to the Approval and Reverse Vesting Order, shall be assigned and transferred as against MFM, to, and assumed by, Residual Co.; and(c) <u>IBA and Wharf Lease</u> - MFM, Campbell River Indian Band (Wei Wai Kum First Nation) and Cape Mudge Indian Band (Wei Wai Kai First Nation) shall have entered into amendments to the IBA and Wharf Lease, in form and substance satisfactory to the Stalking Horse Purchaser.
8.5 Employee Matters	<p>The Stalking Horse Agreement requires the Company to terminate all current salaried employees immediately prior to Closing. The Purchaser will make offers of employment to such salaried employees as it chooses. Such offers of employment will include a waiver of Pre-Closing Unsecured Employee Claims and an acknowledgement that except as required for compliance with the minimum statutory requirements of the British Columbia <i>Employment Standards Act, 1996</i>, an employee's service will be deemed to begin on the Closing Date.</p> <p>In addition, notwithstanding that the Collective Bargaining Agreement is not an Excluded Contract, nothing in the Stalking Horse 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</p>

	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.
8.7 Expense Reimbursement Amount	To the extent that the Stalking Horse Agreement is not the Successful Bid following the completion of the Second SISF, the Purchaser shall be entitled to be reimbursed an amount not exceeding \$500,000 for its expenses in connection with the Stalking Horse Agreement (the "Expense Reimbursement Amount").

34. MFM is of the view that the inclusion of the Stalking Horse Agreement as the Stalking Horse Bid through the implementation of the Second SISF will benefit MFM's efforts to maximize value for the benefit of all stakeholders by, among other things: (a) setting a "floor price" and commercial terms for a transaction involving the business and assets of MFM; (b) helping to generate interest in MFM among potential purchasers; and (c) providing a level of certainty, stability and efficiency during the Second SISF.

35. Overall, I believe that the Stalking Horse Agreement is both fair and reasonable in the circumstances.

Appointment of Financial Advisor

36. Pursuant to an order made on February 27, 2024, the Court appointed the Financial Advisor as MFM's financial advisor in connection with the First SISP. Following the completion of the First SISP, MFM terminated the engagement of the Financial Advisor.

37. MFM is seeking to re-engage the Financial Advisor to assist with implementing the Second SISP pursuant to the terms of the Engagement Letter, a true copy which is attached as Exhibit "C".

38. The Financial Advisor is an investment banking affiliate of the Monitor with significant experience structuring and executing complex distressed M&A and private capital raising transactions in a variety of sectors, including mining. Given its involvement in the First SISP, the Financial Advisor is familiar with the Company and its Business.

39. Under the Engagement Letter, the Financial Advisor will be paid based upon time incurred, at the standard hourly rates of its professionals, subject to a monthly fee cap in the amount of \$135,000 USD per month. The Engagement Letter does not provide for a success fee in connection with any transaction that may arise out of the Second SISP.

40. I have reviewed the Engagement Letter and believe it is fair and reasonable. I further believe that the Financial Advisor possesses the requisite experience, knowledge and familiarity with MFM and its Business given the Financial Advisor's involvement in the First SISP in order to support MFM in implementing the Second SISP, including, without limitation, by consulting with the Monitor and MFM regarding the assessment of any Bids that are submitted in accordance with the SISP Guidelines.

41. The Financial Advisor requires security for its fees and disbursements under the Engagement Letter given that MFM is currently under CCAA protection. Accordingly, MFM is

seeking a declaration that the Financial Advisor is entitled to the benefit of the Administration Charge as security for the Financial Advisor Compensation.

42. The Company believes this relief is both appropriate and necessary in the circumstances to ensure that payment of the fees of the Financial Advisor have the same protections as the other professionals assisting MFM in these proceedings.

Increasing the DIP Facility and the Interim Lender's Charge

43. The Cash Flow Forecast that will be attached to the Monitor's Seventh Report, to be filed, illustrates that MFM will require further financing in order to maintain operations and fund these CCAA proceedings through the proposed extension of the Stay Period.

44. The Company and the DIP Lender have entered into a fifth amendment to the DIP Term Sheet (the "Fifth DIP Amendment") pursuant to which the DIP Lender has agreed to extend the "Maturity Date" of the DIP Facility to July 31, 2025 and increase the "Maximum Amount" of the DIP Facility to CDN\$45 million, subject to the conditions contained therein, including this Honourable Court's approval of the Fifth DIP Amendment. A copy of the Fifth DIP Amendment is attached and marked hereto as **Exhibit "D"**.

45. The Cash Flow Forecast demonstrates that the Fifth DIP Amendment will provide MFM the liquidity necessary to continue operating during the proposed extended Stay Period so that the Second SISP can be implemented and a value-maximizing transaction can be identified.

Stay Extension

46. MFM is asking this Honourable Court to extend the Stay Period until July 31, 2025.

47. MFM requires an extension of the Stay Period to maintain the *status quo* during the proposed Second SISP.

48. MFM will need time to properly and diligently implement and carry out the Second SISP in accordance with its terms.


49. I understand that subject to the Court's approval of the Fifth DIP Amendment, MFM will have sufficient liquidity during the proposed extended Stay Period to fund obligations and cost of the CCAA proceedings.


50. MFM has acted and continues to act in good faith and with due diligence. I believe that stakeholders of MFM will benefit from the extension of the stay, as it will enable MFM to carry out the Second SISP.

51. I acknowledge the solemnity of making a sworn statement and acknowledge the consequences of making an untrue statement.

52. I was not physically present before the person before whom this affidavit was affirmed but was in that person's presence using video conferencing.


AFFIRMED BEFORE ME at the City of Vancouver, in the Province of British Columbia, this 31st day of March, 2025.


A Commissioner for taking Affidavits within British Columbia.


HEIN FREY

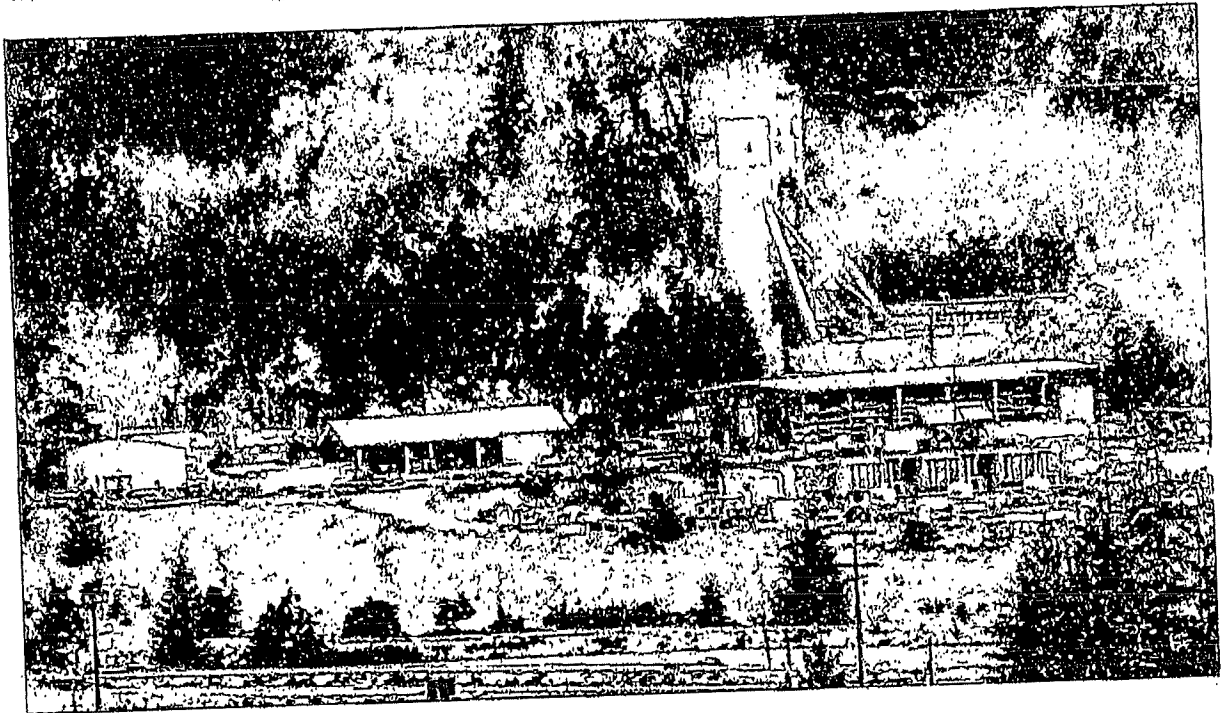
MANUEL DOMINGUEZ
GOWLING WLG (CANADA) LLP
BARRISTER & SOLICITOR
550 BARRARD STREET - SUITE 2300
BENTALL 5 - VANCOUVER, B.C. V6C 2B5
TELEPHONE: (604) 891-2772

This is Exhibit "A" referred to in the Affidavit of HEIN FREY, affirmed before me at Vancouver, BC, this 31st day of March, 2025.


A Commissioner for taking Affidavits in British Columbia



Negotiations at Myra Falls stalled after company tables union-busting proposals



MARCH 11, 2025



SHARE

CAMPBELL RIVER, B.C.—A mediator was unable to help Unifor Local 3019 make any progress in contract negotiations after the employer, global commodities giant Trafigura, refused to back down from aggressive proposals to undermine union rights.

"Stripping Unifor members of their rights is a non-starter," said Unifor National President Lana Payne. "We will resist every proposal that disrespects the union rights of miners in Myra Falls."

Unifor Local 3019 members have been on lay-off since a curtailment of the mine in December 2023. The union and the company have emerged recently from mediation without any solutions to re-start the mine and recall workers. Unifor says the company wants a free hand to hire non-union workers and ignore the collective agreement's recall provisions.

3/28/26, 11:56 AM

Negotiations at Myra Falls stalled after company tables union-busting proposals | Unifor

"Trafigura wants to throw away a binding collective agreement to squeeze greater profits out of the mine, but that's not how it works," said Unifor Western Regional Director Gavin McGarrigle. "We're ready to bargain and discuss re-starting the mine in a way that everyone benefits, but basic worker rights are non-negotiable."

Unifor Local 3019 members and their families live in the nearby Campbell River area and often have deep roots, playing an important economic role. The union says the company's proposal to hire outside contractors with no ties to the community demonstrates a lack of respect for the people of the region.

Unifor is Canada's largest union in the private sector, representing 320,000 workers in every major area of the economy. The union advocates for all working people and their rights, fights for equality and social justice in Canada and abroad, and strives to create progressive change for a better future.

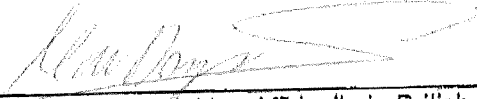
Media Contact

Ian Boyko

NATIONAL COMMUNICATIONS REPRESENTATIVE - WESTERN REGION

Email: Ian.Boyko@unifor.org

This is Exhibit "B" referred to in the Affidavit of HEIN FREY, affirmed before me at Vancouver, BC, this 31st day of March, 2025.



A Commissioner for taking Affidavits in British Columbia

STALKING HORSE SUBSCRIPTION AGREEMENT

MYRA FALLS MINE LTD.

AS THE COMPANY

-AND-

TRAFIGURA HOLDING S.À R.L.

AS PURCHASER

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THIS STALKING HORSE SUBSCRIPTION AGREEMENT is made as of March 31, 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 [●], 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.

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 stalking horse 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 stalking horse 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 stalking horse 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 Chargé Amount**" means cash in an amount sufficient to satisfy the amounts owing in respect of obligations secured by the CCAA Chargés (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 P086886 and under the Tax Act bearing registration number 0536185.

"DIP Facility" means the credit facility in the current maximum principal amount of \$37,000,000, or such higher amount that is approved by 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 and March 31, 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.

"Expense Reimbursement Amount" has the meaning given to such term in Section 8.7.

"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 (Wei 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 16, 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 Purchaser, and 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.

"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, 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(c).

"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 by the Company or its Affiliates 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(c).

"**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.

**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")¹:

- (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
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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 control² 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

- (e) 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 to 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 (Wel Wai Kum First Nation) and Cape Mudge Indian Band (Wel 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.

8.7 Expense Reimbursement Amount

In consideration for the Purchaser's expenditure of time and money (including professional fees) in connection with the preparation of this Agreement, and in performing due diligence pursuant to this Agreement, the Purchaser shall be entitled to be reimbursed and paid an amount not exceeding \$500,000 for the reimbursement of its expense (the "Expense Reimbursement Amount"). The Expense Reimbursement Amount is subject to Court approval and shall be approved in the SISP Order and shall be payable to the Purchaser out of the sale proceeds derived from, and upon completion of, a Successful Bid other than the Stalking Horse Bid. Each of the Company and the Purchaser acknowledges and agrees that the Expense Reimbursement Amount is not intended to be punitive in nature nor to discourage competitive bidding with respect to the SISP. The Expense Reimbursement Amount shall be paid by the Company to the Purchaser without deduction or withholding for Taxes unless required by Applicable Law.

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 SISF, 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 SISF.
- (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 SISF);
- (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 W.L.G. (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 SISP 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(d); and
- (e) all other documents required to effect 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@gowlingwlq.com
virginie.gauthier@gowlingwlq.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:

Title:

I have the authority to bind the corporation.

TRAFIGURA HOLDING S.A R.L.

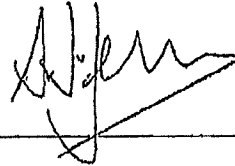


Per:

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)

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

}
}
}

[●], 2025

THE APPLICATION of the Petitioner, coming on for hearing before me at the courthouse at 800 Smithe Street, Vancouver, British Columbia, on the [●] day of [●], 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 #[●] of Hein Frey, affirmed [●], 2025 (the "Frey Affidavit #[●]"), the [●] Report of FTI Consulting Canada Inc. (in its capacity as court-appointed monitor of the Petitioner; the "Monitor") dated [●], 2025, and [●]; 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 stalking horse share subscription agreement dated

March [●], 2025 between the Petitioner and [Trafigura Holding S.à r.l./assignee of Trafigura Holding S.à r.l.] (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 "Subscription Agreement").

APPROVAL AND VESTING

3. The Subscription Agreement, a copy of which is attached as Exhibit [●] to the Frey Affidavit #[●], and the transactions contemplated therein, including the Implementation Steps (the "Transactions") are hereby approved and the execution of the 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 Subscription Agreement is commercially reasonable. The Petitioner is hereby authorized and directed to perform its obligations under the 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 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. This Order shall constitute the only authorization required by the Petitioner to proceed with the Transactions and no shareholder or other approval shall be required in connection therewith.
6. Notwithstanding the generality of paragraphs 4 and 5 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 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.
7. 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.
8. 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 Subscription Agreement.
9. 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 Subscription Agreement, filed by either the Petitioner or Residual Co., as the case may be.
10. 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 Subscription Agreement and the steps contemplated thereunder [**Note: The following paragraphs are subject to change required by the Implementation Steps**]:
- (a) first, all of the Petitioner's right, title and interest in and to the Excluded Assets shall vest absolutely and exclusively in Residual Co., with all applicable Claims and

Encumbrances continuing to attach to the Excluded Assets and to the Cash Consideration in accordance with paragraph 14 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) or any other personal property registry systems listed on **Schedule C** hereto; and (iii) 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.
11. The Monitor may rely on written notice from the Petitioner and the Purchaser regarding the fulfillment of conditions to Closing under the Subscription Agreement and shall have no liability with respect to delivery of the Monitor's Certificate.

12. The Monitor shall file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof in connection with the Transactions.
13. 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 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.
14. 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.
15. Pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act* or section 18(10)(0) 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.
16. At the Closing Time and without limiting the provisions of paragraph 10 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).

17. Except to the extent expressly contemplated by the 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 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 Subscription Agreement, the Transactions or the provisions of this Order.

18. 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 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.
19. 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 17 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 Subscription Agreement and any related agreements and documents.
20. 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.
21. 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 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; and
- (f) notwithstanding the fact that the Collective Bargaining Agreement is not an Excluded Contract, nothing in the Subscription Agreement or in this Order shall be construed in a way that would result in 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 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.

22. As of the date 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 ARIO, 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 ARIO) (other than the Interim Lender's Charge) shall constitute a charge on the Residual Co. Property.

RELEASES

23. Effective as of the filing 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 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 Subscription Agreement and the Closing Documents.

24. Without affecting or limiting the releases set forth in paragraph 23 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 Subscription Agreement, the Closing Documents, the consummation of the Transactions, these CCAA Proceedings, the formulation, preparation, dissemination, negotiation, filing or consummation of the 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.

25. 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.

26. 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 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 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

27. 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.
28. 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.
29. 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.
30. 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 ARIO, 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

31. 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.
32. 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.]

33. This Order shall have full force and effect in all provinces and territories in Canada, and any other jurisdiction in which it is enforceable.
34. 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.
35. **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.

36. 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

- E. 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").
- F. Pursuant to an Order of the Court dated [●], 2025 (the "Reverse Vesting Order"), the Court approved the transactions (collectively, the "Transactions") contemplated by the 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.
- G. Capitalized terms not otherwise defined herein shall have the meanings given to them in the Reverse Vesting Order or the Subscription Agreement, as applicable.

THE MONITOR CERTIFIES that it was advised by the Petitioner and the Purchaser 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

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 DL432I / - 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

6762263111

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

6762283111

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 TH5451 / - Serial Number: T545DEMA0A0125

Registration No.	615796N
Registration Type	SECURITY AGREEMENT
Registration Date	March 23, 2022
Expiry	March 23, 2026
Debtors	MYRA FALLS MINE LTD.

67622831M

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
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6782263111

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

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 & TUNNELING INC.

67622631\1

Collateral: Serial Number Goods	Type: Motor Vehicle (MV) Year: 2023 Make/Model: Sandvik / TH545i Truck Serial Number: T545DCPAOA0249
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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

[To list all liens registered against real property]

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:

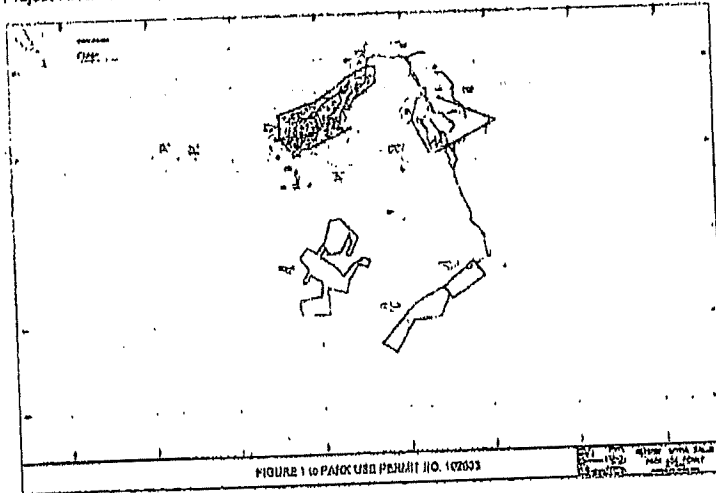


Figure 1: Project Area located in Class A Park

Project Area Class B Park:



Figure 2: Mine Site boundary depicted in Red line. Note that Park Use Permit boundaries (defined 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**

Nll

[NOTE: Schedule subject to change up to service of the application for the Approval and Reverse Vesting Order]

SCHEDULE 2.2
EXCLUDED ASSETS

[NOTE: Schedule subject to change up to service of the application for the Approval and Reverse Vesting Order]

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

[NOTE: Schedule subject to change up to service of the application for the Approval and Reverse Vesting Order]

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
- Corporate Indemnities in favour of the Company's directors and officers

[NOTE: Schedule subject to change up to service of the application for the Approval and Reverse Vesting Order]

SCHEDULE 2.4

EXCLUDED LIABILITIES

- All pre-filing Claims and any liabilities arising from the termination of leases or other contracts
- Pre-Closing Unsecured Employee Claims
- **[NOTE: Schedule subject to change up to service of the application for the Approval and Reverse Vesting Order]**

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.

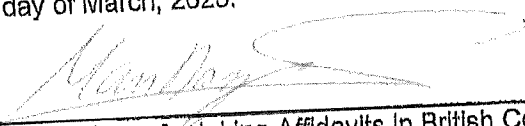
The Company's Tax and corporate numbers are:

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)

This is Exhibit "C" referred to in the Affidavit of HEIN FREY, affirmed before me at Vancouver, BC, this 31st day of March, 2025.


A Commissioner for taking Affidavits in British Columbia

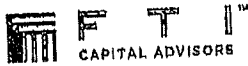
FTI Capital Advisors - Canada ULC

TD South Tower
79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto, ON M5K 1G8

T: 416.849.8100

F: 416.849.8101

fticonsulting.com



PRIVATE & CONFIDENTIAL

March 25, 2025

Myra Falls Mine Ltd.
P.O. Box 8000
Myra Falls, BC
V9W 5E2

1. Introduction

On December 18, 2023, Myra Falls Mine Ltd. ("Myra Falls" or the "Company") sought and obtained an initial order from the Supreme Court of British Columbia (the "Court") under the Companies' Creditors Arrangement Act R.S.C. 1985, c. C-36, as amended by an amended and restated initial order made on December 28, 2023 (the "CCAA Proceedings"). Pursuant to the initial order, FTI Consulting Canada ("FTI") was appointed as the monitor of Myra Falls (the "Monitor"). As part of the CCAA Proceedings, Myra Falls intends to seek the approval of the Court to conduct a sale and investment solicitation process ("SISP").

This letter confirms that we, FTI Capital Advisors – Canada ULC ("FTICA"), have been retained by Myra Falls, to provide certain financial advisory and investment banking services (the "Services" or the "Engagement") as set out below. This letter of engagement and the attached Standard Terms and Conditions constitute the engagement contract (together, the "Engagement Contract") pursuant to which the Services will be provided.

2. Scope of Services

The Company hereby engages FTICA as its financial advisor to provide financial advisory and investment banking services in connection with the proposed SISP, which engagement shall be subject to Court Approval (as defined below).

It is understood that the Company has requested FTICA's services to assist the Company in discussions with potential purchasers and investors. Each potential purchaser and/or investor is referred to as a "Purchaser/Investor" in the Engagement Contract. Any sale or financing transaction will be done on a best efforts basis, and this Engagement Contract does not represent a commitment of capital by FTICA or any of its affiliates in any form to the Company.

The Services for the engagement, to be performed at your direction, are expected to include the following:



- i. Work closely with Myra Falls, the Monitor and the Company's various stakeholders during each stage of the SISP process;
- ii. Facilitate information flow between the Company, the Monitor and various stakeholders to ensure transparency throughout the SISP process;
- iii. FTICA would develop and implement a focused SISP, designed to maintain competitive tension and drive value for all stakeholders:
 - Identify, and discuss with the Company, a group of suitable purchasers and capital providers;
 - Prepare appropriate information (including a teaser, confidential information memorandum and assist the Company with its financial model) to be provided to potential purchasers and capital providers (we will seek to leverage existing materials, where possible, to ensure efficiency);
 - Obtain NDA's from interested parties;
 - Maintain and manage a virtual data room ("VDR") on behalf of the Company;
 - Obtain term sheets/Letters of Intent and evaluate the terms of the alternative proposals in accordance with the SISP procedures;
 - Prepare management for and facilitate meetings between Myra Falls and prospective purchasers and/or capital providers;
 - Manage due diligence and negotiation processes with select parties, working together with counsel to the Company; and
 - Provide advice through execution of definitive transaction agreements and sale approval.
- iv. Render such other financial advisory and investment banking services as mutually agreed upon by FTICA and the Company.

The Services may be performed by FTICA or by any affiliate of FTICA, as FTICA shall determine. FTICA may also, with the consent of the Company, provide Services through its affiliate agents or independent contractors. References herein to FTICA or its employees shall be deemed to apply also, unless the context shall otherwise indicate, to FTICA's affiliates, the employees of each such affiliate and to any such agents or independent contractors and their employees. Further, in the event any Services contemplated hereunder involve transactions, rules and regulations governed by the Financial Industry Regulatory Authority of the United States (FINRA), such Services shall be provided by FTI's U.S. affiliate, FTI Capital Advisors, LLC ("FTICA LLC"), and all such Services will be under the authority and direction of FTICA LLC as required by applicable law and FINRA's rules.

The Services, as outlined above, are subject to change as mutually agreed between us.

The Company agrees to promptly inform FTICA of any inquiry it receives regarding a sale or financing transaction so that FTICA can evaluate such party and its interest in a sale or financing transaction.

FTICA is engaged by the Company to provide financial advisory and investment banking services only. Accordingly, while we may from time to time suggest options which may be available to you and further give our professional evaluation of these options, the ultimate decision as to which, if any, of these options to implement rests with the Company, its management and board of directors. FTICA and its employees



will not make any management decisions for the Company and will not be responsible for communicating information concerning the Company to the public or any others.

The Company agrees that it will be solely responsible for ensuring that any sale or financing transaction complies with applicable law. FTICA represents and warrants that it has the necessary registrations and licenses to provide the services contemplated hereunder.

As part of the Services, FTICA may be requested to assist the Company (and its legal or other advisors) in negotiating with the Company's various stakeholders (including labour unions and First Nations), potential capital providers, and with other interested parties. If we participate in such negotiations, the representations made and the positions advanced will be those of the Company and its management, not FTICA or its employees.

3. Fees

Dean Mullett, Senior Managing Director of FTICA, will be responsible for the overall engagement. He will be assisted by other FTICA personnel, as appropriate.

The Fees in connection with Services performed in the Engagement Contract will be based upon the time incurred providing the Services, multiplied by our standard hourly rates, summarized as follows:

	<u>Per Hour USD</u>
Senior Managing Directors	1,185 – 1,525
Directors / Managing Directors	890 – 1,120
Consultants/Senior Consultants	485 – 810
Administrative / Paraprofessionals	190

Our Fees will not exceed \$135,000 USD per month (the "Monthly Cap") for the duration of the Engagement, commencing on the date of execution of this Engagement Contract, then each 30-days thereafter.

Hourly rates are generally revised annually, however services will remain subject to the Monthly Cap. To the extent this Engagement requires services of our international divisions or personnel, the time will be multiplied by their standard hourly rates applicable on international engagements subject to the Monthly Cap. We do not provide any assurance regarding the outcome of our work and our fees will not be contingent on the results of such work. Our fees will be for the account of the Company, guaranteed by you and are payable on presentation of invoice.

FTICA will bill for reasonable direct expenses which are incurred on your behalf during this Engagement. Direct expenses are reasonable and customary out-of-pocket expenses which are billed directly to the Engagement such as certain telephone, overnight mail, messenger, travel, meals, accommodations and other expenses specifically related to the Engagement. Direct expenses may also include the costs of independent legal counsel if such is determined by FTICA to be necessary after consultation with the Company. All fees and expenses will be subject to applicable taxes. Note that any individual expense above \$2,000 USD will need to be explicitly approved by the Company.

In order to render the Services under this Engagement Contract, the Company shall apply to the Court as part of the approval of the SISP procedures, for approval of (a) this Engagement Contract; (b) the retention of FTICA by the Company under the terms of this Agreement; (c) the payment of the fees and expenses of



FTICA under this Engagement Contract in the form and at times contemplated hereby; (d) an appropriate increase in the quantum of the existing Administration Charge in the Initial Order.

We will submit to the Company, on a weekly basis, invoices payable upon receipt, for our fees and expenses incurred in connection with the Engagement. Such invoices will include hours worked on a staff member by staff member basis. FTICA reserves the right to (i) immediately stop work should you fail to pay our outstanding fees and expenses within 48 hours of being notified of the Company's failure to pay; and (ii) in the event of failure to pay fees terminate the Engagement Contract in accordance with its terms.

If FTICA and/or any of its employees are required to testify or provide evidence at or in connection with any judicial or administrative proceeding relating to this matter, FTICA will be compensated by you at its regular hourly rates and reimbursed for reasonable allocated and direct expenses (including counsel fees) with respect thereto.

4. Terms and Conditions

The attached Standard Terms and Conditions set forth the duties of each party with respect to the Services. Further, this letter and the Standard Terms and Conditions attached comprise the entire Engagement Contract for the provision of the Services to the exclusion of any other express or implied terms, whether expressed orally or in writing, including any conditions, warranties and representations, and shall supersede all previous proposals, letters of engagement, undertakings, agreements, understandings, correspondence and other communications, whether written or oral, regarding the Services.

5. Conflicts of Interest

Based on the list of interested parties (the "Potentially Interested Parties"), provided by you, we have undertaken a limited review of our records to determine whether there is any conflict of interest that would prevent us from accepting this engagement.

From the results of such review, we were not made aware of any conflicts of interest or additional relationships that we believe would preclude us from performing the Services. However, as you know, FTICA and its affiliates are a large consulting firm with numerous offices throughout the World and are regularly engaged by new clients, which may include one or more of the Potentially Interested Parties.



6. Acknowledgement and Acceptance

Please acknowledge your acceptance of the terms of this Engagement Contract by signing both the confirmation below and the attached Standard Terms and Conditions and returning a copy of each to us at the above address.

If you have any questions regarding this letter or the attached Standard Terms and Conditions, please do not hesitate to contact Dean Mullett at 416-816-0733.

Yours faithfully,

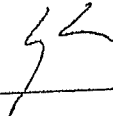
FTI CAPITAL ADVISORS – CANADA ULC

By: _____
Dean Mullett
Senior Managing Director

Confirmation of Terms of Engagement

We agree to engage FTI Capital Advisors – Canada ULC upon the terms set forth herein and in the attached Standard Terms and Conditions.

MYRA FALLS MINE LTD.

By: _____


Date: 27 March 2025

FTI CAPITAL ADVISORS – CANADA ULC

STANDARD TERMS AND CONDITIONS

The following are the Standard Terms and Conditions on which we will provide the Services to you set forth within the attached letter of Engagement. The Engagement letter and the Standard Terms and Conditions (collectively the "Engagement Contract") form the entire agreement between us relating to the Services and replace and supersede any previous proposals, letters of engagement, undertakings, agreements, understandings, correspondence and other communications, whether written or oral, regarding the Services. The headings and titles in the Engagement Contract are included to make it easier to read but do not form part of the Engagement Contract.

1. Reports and Advice

1.1 **Use and purpose of advice and reports** – Any advice given or report issued by us is provided solely for use and benefit by you and your affiliates and only in connection with the purpose in respect of which the Services are provided. Unless required by law, you shall not provide any advice given or report issued by us to any third party, or refers to us or the Services, without our prior written consent. In no event, regardless of whether consent has been provided, shall we assume any responsibility to any third party to which any advice or report is disclosed or otherwise made available.

2. Information and Assistance

2.1 **Provision of information and assistance** – Our performance of the Services is dependent upon your providing us with such information and assistance as we may reasonably require from time to time.

2.2 **Punctual and accurate information** – You shall use reasonable skill, care and attention to ensure that all information we may reasonably require is provided on a timely basis and is accurate and complete and relevant for the purpose for which it is required. You shall also notify us if you subsequently learn that the information provided is incorrect or inaccurate or otherwise should not be relied upon.

2.3 **No assurance on financial data** – While our work may include an analysis of financial and accounting data, the Services will not include an audit, compilation or review of any kind of any financial statements or components thereof. Company management will be responsible for any and all financial information they provide to us during the course of this Engagement, and we will not examine or compile or verify any such financial information. Moreover, the circumstances of the Engagement may cause our advice to be limited in certain respects based upon, among other matters, the extent of sufficient and available data and the opportunity for supporting investigations in the time period. Accordingly, as part of this Engagement, we will not express any opinion or other form of assurance on financial statements of the Company.

2.4 **Prospective financial information** – In the event the Services involve prospective financial information, our work will not constitute an examination or compilation, or apply agreed-upon procedures, in accordance with standards established by the Canadian Institute of Chartered Accountants, the American Institute of Certified Public Accountants or otherwise, and we will express no assurance of any kind on such information. There will usually be differences between estimated and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. We will take no responsibility for the achievability of results or events projected or anticipated by the management of the Company.

3. Additional Services

- 3.1 **Responsibility for other parties** – We shall have no responsibility for the work and fees of any other party engaged by you to provide services in connection with the Engagement regardless of whether such party was introduced to you by us. Except as provided in this Engagement Contract, we shall not be responsible for providing or reviewing the advice or services of any such third party, including advice as to legal, regulatory, accounting or taxation matters.

4. Confidentiality

- 4.1 **Restrictions on confidential information** – Both parties agree that any confidential information received from the other party shall only be used for the purposes of providing or receiving Services under this or any other contract between us. Except as provided below, neither party will disclose the other party's confidential information to any third party without the other party's consent. Confidential information shall not include information that:

- 4.1.1 is or becomes generally available to the public other than as a result of a breach of an obligation under this Clause 4.1;
- 4.1.2 is acquired from a third party who, to the recipient party's knowledge, owes no obligation of confidence in respect of the information; or
- 4.1.3 is or has been independently developed by the recipient.

For greater certainty, nothing in this section 4.1 is intended to nor shall it create rights in favour of the company or any other party regarding any confidential information of the company or otherwise against you, FTI or any other party.

- 4.2 **Disclosing confidential information** – Notwithstanding Clause 1.1 or 4.1 above, either party will be entitled to disclose confidential information of the other to a third party to the extent that this is required by valid legal process, provided that (and without breaching any legal or regulatory requirement) where reasonably practicable not less than 2 business days' notice in writing is first given to the other party. Furthermore, in the event that we are appointed as Monitor, we may use or disclose any confidential information to the extent we deem necessary to fulfill our duties and obligations.
- 4.3 **Citation of engagement** – Without prejudice to Clause 4.1 and Clause 4.2 above, to the extent our engagement is or becomes known to the public, we may cite the performance of the Services to our clients and prospective clients as an indication of our experience, unless we and you specifically agree otherwise in writing.
- 4.4 **Internal quality reviews** – Notwithstanding the above, we may disclose any information referred to in this Clause 4 to any other FTI entity or use it for internal quality reviews.
- 4.5 **Maintenance of workpapers** – Notwithstanding the above, we may keep one archival set of our working papers from the Engagement, including working papers containing or reflecting confidential information, in accordance with our internal policies.

5. Termination

- 5.1 **Termination of Engagement with notice** – Either party may terminate the Engagement Contract for whatever reason upon written notice to the other party. Upon receipt of such notice, we will stop all work immediately. You will be responsible for all fees and expenses incurred by us through the date termination notice is received.
- 5.2 **Continuation of terms** – The terms of the Engagement that by their context are intended to be performed after termination or expiration of this Engagement Contract, including but not limited to, Clauses 3 and 4 of the Engagement letter, and Clauses 1.1, 4, 6 and 7 of the Standard Terms and Conditions, are intended to survive such termination or expiration and shall continue to bind all parties.

6. Indemnification and Liability Limitation; Waiver of Jury Trial

- 6.1 Indemnification** - You agree to indemnify and hold harmless FTICA and any of its subsidiaries and affiliates, officers, directors, principals, shareholders, agents, independent contractors and employees (collectively "Indemnified Persons") from and against any and all claims, liabilities, damages, obligations, costs and expenses (including reasonable attorneys' fees and expenses and costs of investigation) arising out of or relating to your retention of FTICA, the execution and delivery of this Engagement Contract, the provision of Services or other matters relating to or arising from this Engagement Contract, except to the extent that any such claim, liability, obligation, damage, cost or expense shall have been determined by final non-appealable order of a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of the Indemnified Person or Persons in respect of whom such liability is asserted.
- 6.2 Limitation of liability** - You agree that no Indemnified Person shall have any liability as a result of your retention of FTI, the execution and delivery of this Engagement Contract, the provision of Services or other matters relating to or arising from this Engagement Contract, other than liabilities that shall have been determined by final non-appealable order of a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of the Indemnified Person or Persons in respect of whom such liability is asserted. Without limiting the generality of the foregoing, in no event shall any Indemnified Person be liable for consequential, indirect or punitive damages, damages for lost profits or opportunities or other like damages or claims of any kind.
- 6.3 WAIVER OF JURY TRIAL** -TO FACILITATE JUDICIAL RESOLUTION AND SAVE TIME AND EXPENSE, YOU AND FTICA IRREVOCABLY AND UNCONDITIONALLY AGREE NOT TO DEMAND A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THE SERVICES OR ANY SUCH OTHER MATTER.

7. Governing Law and Jurisdiction

The Engagement Contract shall be governed by and interpreted in accordance with the laws of Canada and the Province of Ontario, without giving effect to the choice of law provisions thereof. The Courts of Ontario sitting in Toronto shall have exclusive jurisdiction in relation to any claim, dispute or difference concerning the Engagement Contract and any matter arising from it. The parties submit to the jurisdiction of such Courts and irrevocably waive any right they may have to object to any action being brought in these Courts, to claim that the action has been brought in an inconvenient forum or to claim that those Courts do not have jurisdiction.

FTI CAPITAL ADVISORS - CANADA ULC

This is Exhibit "D" referred to in the Affidavit of HEIN FREY, affirmed before me at Vancouver, BC, this 31st day of March, 2025.



A Commissioner for taking Affidavits in British Columbia

FIFTH AMENDMENT TO DIP FACILITY TERM SHEET

Dated: March 31, 2025.

RECITALS:

- A. Myra Falls Mine Ltd. (the "**Borrower**"), as borrower, and Trafigura US Inc. (the "**DIP Lender**"), as lender, entered into a DIP facility term sheet dated December 17, 2023 (the "**DIP Facility Term Sheet**");
- B. On February 16, 2024, the Borrower and the DIP Lender executed an amendment to the DIP Facility Term Sheet (the "**First Amendment**"), to extend the Maturity Date (as defined in the DIP Facility Term Sheet) to June 30, 2024;
- C. On June 20, 2024, the Borrower and the DIP Lender executed an amendment to the DIP Facility Term Sheet (the "**Second Amendment**"), to extend the Maturity Date and increase the Maximum Amount (as defined in the DIP Facility Term Sheet);
- D. On October 22, 2024, the Borrower and the DIP Lender executed an amendment to the DIP Facility Term Sheet (the "**Third Amendment**"), to extend the Maturity Date to January 31, 2025;
- E. On January 22, 2025, the Borrower and the DIP Lender executed an amendment to the DIP Facility Term Sheet (the "**Fourth Amendment**"), to extend the Maturity Date to April 4, 2025 and increase the Maximum Amount (as defined in the DIP Facility Term Sheet); and
- F. Subject to the terms and conditions contained in this agreement (this "**Fifth Amendment**"), the parties hereto have agreed to further amend the DIP Facility Term Sheet on the terms and conditions set out below.

NOW THEREFORE In consideration of the foregoing and the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged), the parties agree as follows:

1. DEFINITIONS

- 1.1 **Use of Defined Terms.** Unless otherwise defined herein or the context otherwise requires, capitalized terms used in this Fifth Amendment, including its preamble and recitals, have the meanings provided in the DIP Facility Term Sheet, as amended by the First Amendment, the Second Amendment, the Third Amendment and the Fourth Amendment (the "**Amended DIP Facility Term Sheet**"), as applicable.

2. AMENDMENTS TO THE AMENDED DIP FACILITY TERM SHEET

2.1 **Amendments.** Subject to the satisfaction of each of the conditions to effectiveness set forth in this Fifth Amendment, the parties agree to amend the Amended DIP Facility Term Sheet as follows:

2.1.1 The reference to "April 4, 2025" in the Amended DIP Facility Term Sheet in paragraph (a) of the heading "**Maturity Date**" shall be deleted and replaced with "July 31, 2025".

2.1.2 The reference to the "Maximum Amount" in the Amended DIP Facility Term Sheet, under the heading "**DIP Facility**" shall be amended to reflect the following:

"up to the maximum principal amount of CDN \$45,000,000".

3. REPRESENTATIONS AND WARRANTIES

3.1 **Representations.** The Borrower represents and warrants to the DIP Lender that, as of the date hereof (after giving effect to this Fifth Amendment):

3.1.1 This Fifth Amendment has been duly authorized, executed and delivered by the Borrower;

3.1.2 This Fifth Amendment constitutes a legal, valid and binding obligation of the Borrower, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other applicable laws affecting creditors' rights generally and to general principles of equity, regardless of whether considered in a proceeding in equity or at law;

3.1.3 The representations and warranties set forth in the Amended DIP Facility Term Sheet, and the other DIP Credit Documentation are true and correct in all respects on and as of the date hereof as though made on and as of such date, unless stated to be made as of a specified date; and

3.1.4 No Default or Event of Default has occurred and is continuing.

4. CONDITIONS

4.1 **Conditions Precedent.** This Fifth Amendment shall become effective on the date upon which there has been receipt by the DIP Lender of the following (which conditions precedent are for the sole and exclusive benefit of the DIP Lender and may be waived by the DIP Lender):

4.1.1 a counterpart of this Fifth Amendment executed by the Borrower; and

- 4.1.2 receipt by the DIP Lender of updated Cash Flow Projections up to and including July 31, 2025, in form and substance satisfactory to the DIP Lender in its discretion.

5. GENERAL PROVISIONS

- 5.1 **Headings.** The inclusion of headings in this Fifth Amendment is for convenience of reference only and does not affect the construction or interpretation hereof.
- 5.2 **Governing Law.** This Fifth Amendment is governed by and is to be construed and interpreted in accordance with, the laws of the Province of British Columbia and the federal laws of Canada applicable therein.
- 5.3 **Assignment.** This Fifth Amendment enures to the benefit of, and is binding upon, the parties and their respective successors and permitted assigns.
- 5.4 **Conflicts.** If, after the date of this Fifth Amendment, any provision of this Fifth Amendment is inconsistent with any provision of the Amended DIP Facility Term Sheet, the relevant provision of this Fifth Amendment shall prevail.
- 5.5 **DIP Credit Documentation.** This Fifth Amendment constitutes DIP Credit Documentation for all purposes under the Amended DIP Facility Term Sheet.
- 5.6 **Counterparts.** This Fifth Amendment may be executed in multiple counterparts, each of which shall be deemed to be an original agreement and all of which shall constitute one agreement. All counterparts shall be construed together and shall constitute one and the same agreement. This Fifth Amendment, to the extent signed and delivered by means of electronic transmission (including, without limitation, facsimile and Internet transmissions), shall be treated in all manner and respects as an original agreement and should be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person.

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IN WITNESS WHEREOF the parties hereto have executed this Fifth Amendment as of the date first written above.

MYRA FALLS MINE LTD.

By:

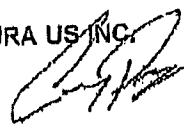
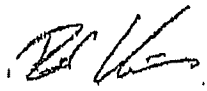

Name:

Title: Authorized Signatory

I have the authority to bind the corporation.

TRAFIGURA US INC.

By:

 
Name: Corey Prologo Robert Kreider

Title: Authorized Signatory

I have the authority to bind the corporation.

Signature Page -- Fifth Amendment to the Amended DIP Facility Term Sheet

671550673

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 THE PLAN OF COMPROMISE AND
ARRANGEMENT OF MYRA FALLS MINE LTD

AFFIDAVIT OF HEIN FREY #9

GOWLING WLG (CANADA) LLP
Barristers & Solicitors
Bentall 6, Suite 2300,
550 Burrard Street
Vancouver, BC V6C 2B5

Attention: Jonathan B. Ross

Tel: 604.683.6498 Fax: 604.683.3558

File No. A172589