

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**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 OR
ARRANGEMENT OF TACORA RESOURCES INC.**

**RESPONDING MOTION RECORD OF THE CONSORTIUM OF NOTEHOLDERS
(RE: AMENDED DIP MOTION RETURNABLE APRIL 25, 2024)**

April 24, 2024

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**LAWYERS FOR THE CONSORTIUM
NOTEHOLDER GROUP**

TO: **THE SERVICE LIST**

**ONTARIO
SUPERIOR COURT OF JUSTICE
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TAB 1

Court File No. CV-23-00707394-00CL

**ONTARIO
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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 OR
ARRANGEMENT OF TACORA RESOURCES INC.

Applicant

AFFIDAVIT OF BEN MULLER

I, Ben Muller, of the City of Toronto, in the Province of Ontario, MAKE OATH AND
SAY:

1. I am an associate lawyer with the law firm of Osler, Hoskin & Harcourt LLP (“**Osler**”), counsel to the Consortium Noteholder Group¹ (the “**Consortium**”). As such, I have personal knowledge of the matters deposed to in this affidavit, except where indicated otherwise. In swearing this affidavit, I do not, and do not intend to, waive any applicable privilege of the Consortium.

2. This affidavit is sworn in response to the motion by Tacora Resources Inc. (“**Tacora**”) for approval of new debtor-in-possession financing to Tacora (the “**New Cargill Financing**”) pursuant to the DIP Facility Term Sheet entered into between Cargill Inc. and Tacora dated April 21, 2024.

¹ The Consortium is comprised of Snowcat Capital Management LP, Brigade Capital Management, LP, Millstreet Capital Management LLC, MSD Partners, LP, O’Brien-Staley Partners, and Javelin Global Commodities (SG) Pte Ltd. as holders of US\$201,680,000 (89.6%) in principal of 8.250% Senior Secured Notes due 2026 and/or US\$14,955,000 (55.4%) in principal of 9.00% Cash / 4.00% PIK Senior Secured Priority Notes due 2023.

- 2 -

3. Despite new DIP financing not being solicited by Tacora from the Consortium, on April 15, 2024 at approximately 4:07 p.m., Osler emailed Stikeman Elliott LLP (“**Stikeman**”), counsel for Tacora, an executed DIP Facility Term Sheet, pursuant to which the Consortium agreed to provide \$200 million of DIP financing to Tacora (the “**April 15 DIP Proposal**”). A copy of the email from Osler to Stikeman is attached hereto as **Exhibit “A”**, and a redacted copy of the April 15 DIP Proposal is attached hereto as **Exhibit “B”**.

4. On April 16, 2024, at approximately 8:53 p.m., Stikeman emailed Osler a markup with proposed modifications to the Consortium’s April 15 DIP Proposal (the “**April 16 DIP Markup**”). A copy of the email from Stikeman to Osler is attached hereto as **Exhibit “C”**, and a redacted copy of the April 16 DIP Markup is attached hereto as **Exhibit “D”**.

5. On April 18, 2024, at approximately 8:04 p.m., in response to the April 16 DIP Markup, Osler emailed Stikeman a revised version of the Consortium’s April 15 DIP Proposal (the “**April 18 DIP Proposal**”). A copy of the email from Osler to Stikeman is attached hereto as **Exhibit “E”**, and a redacted copy of the April 18 DIP Proposal is attached hereto as **Exhibit “F”**.

6. On April 21, 2024, Stikeman formally informed Osler that Tacora had accepted the New Cargill Financing. Tacora subsequently served a motion seeking approval of the New Cargill Financing on April 21, 2024.

7. I make this affidavit for the purpose stated above, and for no other or improper purpose.

AFFIRMED BEFORE ME this 23rd day of April, 2024. The affiant was located in the City of Toronto, in the Province of Ontario and the Commissioner was located in the City of Toronto, in the Province of Ontario. This affidavit was commissioned remotely in accordance with Ontario Regulation 431/20.



Carla Breadon (LSO#74478C)

Commissioner for Taking Affidavits
(or as may be)

BEN MULLER

TAB A

This is Exhibit "A" referred to in the Affidavit of Ben Muller, affirmed at the City of Toronto, in the Province of Ontario, before me on April 23, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

Carla Breadon (LSO#74478C)

Muller, Ben

From: Muller, Ben
Sent: Monday, April 15, 2024 4:07 PM
To: Ashley Taylor; leenicholson@stikeman.com; Michael Nessim; Chetan Bhandari; Usman Masood; Charles Geizhals; Bishop, Paul; Jodi.Porepa@fticonsulting.com; RJacobs@cassels.com; JDietrich@cassels.com; Merskey, Alan
Cc: Wasserman, Marc; De Lellis, Michael; Dacks, Jeremy; Tundra-Osler; Michael Kizer; Michael Sellinger; Adam Kelly-Penso; Tundra-GLC
Subject: Tacora - DIP Facility Term Sheet
Attachments: DIP Facility Term Sheet (Executed by DIP Lenders) - Cargill Replacement.pdf; Blackline to Consortium DIP.pdf

All,

As discussed earlier today, please find attached our executed DIP proposal, together with a blackline to the Consortium DIP Facility Term Sheet filed in connection with the replacement DIP motion.

We are happy to discuss.

Regards,
Ben

OSLER

Ben Muller
Associate
416.862.5923 | bmuller@osler.com
Osler, Hoskin & Harcourt LLP | osler.com

TAB B

This is Exhibit "B" referred to in the Affidavit of Ben Muller, affirmed at the City of Toronto, in the Province of Ontario, before me on April 23, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

Carla Breadon (LSO#74478C)

DIP FACILITY TERM SHEET

This term sheet dated as of April 15, 2024 (this “**Term Sheet**”) sets out the terms on which Javelin Global Commodities (SG) Pte Ltd.; Small Micro LLC; O’Brien-Staley Partners; Brigade Capital Management, L.P.; Millstreet Capital Management LLC; and MSD Partners, L.P. (collectively, the “**DIP Lenders**”) are prepared to provide debtor-in-possession financing to Tacora Resources Inc. (“**Tacora**”).

Recitals:

Tacora commenced proceedings under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”, and those proceedings, the “**CCAA Proceedings**”) pursuant to an initial Order granted by the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) on October 10, 2023 (the “**Initial Order**”). Pursuant to the Initial Order, among other things, the Court approved a debtor-in-possession financing agreement between Tacora as borrower and Cargill, Incorporated (“**Cargill**”) as lender (the “**Cargill DIP**”).

The DIP Lenders have agreed to provide debtor-in-possession financing to repay Tacora’s obligations under the Cargill DIP and to fund the remainder of the CCAA Proceedings. The DIP Lenders have agreed to provide the DIP Facility (as defined below) on substantially the same terms as the Cargill DIP to be used for the pendency of the CCAA Proceedings in accordance with the terms and conditions set out herein:

1. **BORROWER:** Tacora Resources Inc. (“**Borrower**”).
2. **DIP LENDERS:** O’Brien-Staley Partners
Brigade Capital Management, L.P.
Millstreet Capital Management LLC
MSD Partners, L.P.
Javelin Global Commodities (SG) Pte Ltd.
Small Micro LLC
3. **DEFINED TERMS:** Unless otherwise defined herein, capitalized words and phrases used in this Term Sheet have the meanings given thereto in Schedule “**A**”.
4. **DIP FACILITY ADVANCES:** A senior secured, superpriority, debtor-in-possession, interim, non-revolving credit facility (the “**DIP Facility**”) up to a maximum principal amount of \$200 million (as such amount may be reduced from time to time pursuant to the terms hereof, the “**Facility Amount**”), subject to the terms and conditions contained herein. The Facility Amount shall be allocated among the DIP Lenders as provided by Schedule “**B**”.

Subject to the below, the DIP Facility shall be made available to the Borrower by way of:

- (a) an initial advance (the “**Initial Advance**”) in a principal amount of \$160 million as of the date of the Initial Advance, to be deposited by the DIP Lenders into the Operating Account within one (1) Business Day of the issuance of the New DIP Approval Order;
- (b) if required as contemplated by the DIP Budget, an advance (the “**Second Advance**”) in a principal amount of up to \$20 million, to

be deposited by the DIP Lenders into the Operating Account upon seven (7) Business Days' notice from the Borrower;

- (c) if required as contemplated by the DIP Budget, an advance (the "**Third Advance**") in a principal amount of up to \$10 million, to be deposited by the DIP Lenders into the Operating Account upon seven (7) Business Days' notice from the Borrower; and
- (d) if required as contemplated by the DIP Budget, an advance (the "**Fourth Advance**", and together with the Second Advance and the Third Advance, the "**Subsequent Advances**") in a principal amount of up to \$10 million, to be deposited by the DIP Lenders into the Operating Account upon seven (7) Business Days' notice from the Borrower.

The funding of the Advances by the DIP Lenders is subject to: (i) the Advance Conditions being satisfied at the time of the Advance; and (ii) the Borrower delivering to the DIP Lenders an Advance confirmation certificate in the form of Schedule "C" (an "**Advance Confirmation Certificate**").

Unless otherwise agreed to by the DIP Lenders in writing, the DIP Lenders shall each fund the Advances on a *pro rata* basis.

The Advance Confirmation Certificate shall certify that (i) all representations and warranties of the Borrower contained in this Term Sheet remain true and correct in all material respects both before and after giving effect to the use of such proceeds, (ii) all of the covenants of the Borrower contained in this Term Sheet and all other terms and conditions contained in this Term Sheet to be complied with by the Borrower, not properly waived in writing by the DIP Lenders, have been fully complied with, and (iii) no Default or Event of Default then exists and is continuing or would result therefrom.

Each Advance Confirmation Certificate shall be deemed to be acceptable and shall be honoured by the DIP Lenders unless the Required DIP Lenders have provided to the Borrower and the Monitor an objection thereto in writing, providing reasons for the objection, by no later than 4:00 p.m. Eastern Time on the Business Day following the delivery of such Advance Confirmation Certificate. A copy of each Advance Confirmation Certificate shall be concurrently provided to DIP Lenders and the Monitor.

5. **EXISTING ARRANGEMENTS:**

[Reserved]

6. **PURPOSE AND PERMITTED PAYMENTS:**

The Borrower shall use a portion of the Initial Advance to repay all amounts owing to Cargill under the Cargill DIP.

The Borrower shall use all other proceeds of the Initial Advance and the Subsequent Advances solely for the following purposes and in the

following order, in each case in accordance with the DIP Budget:

- (a) to pay the reasonable and documented professional and advisory fees and expenses (including legal fees and expenses) of (i) the Borrower and (ii) the Monitor (collectively, the “**Borrower Restructuring Expenses**”);
- (b) to pay the reasonable and documented DIP Lenders’ Expenses;
- (c) to pay the interest, fees and other amounts owing to the DIP Lenders under this Term Sheet; and
- (d) to fund, in accordance with the DIP Budget, the Borrower’s funding requirements during the CCAA Proceedings, including, without limitation, in respect of the pursuit of a Restructuring Transaction and the working capital and other general corporate funding requirements of the Borrower during such period.

For greater certainty, the Borrower may not use the proceeds of the DIP Facility to pay any category of obligations that are not included in the DIP Budget without the prior written consent of the Required DIP Lenders and may not pay the professional or advisory fees or expenses of any other Person that are not provided for in the DIP Budget, except pursuant to the terms of a binding support agreement with such Person with respect to the Restructuring Transaction that is acceptable to the Required DIP Lenders, or as may otherwise be agreed to by the Required DIP Lenders and the Borrower (in consultation with the Monitor).

7. **INITIAL
ADVANCE
CONDITIONS:**

[Reserved]

8. **ADVANCE
CONDITIONS:**

The DIP Lenders’ agreement to make the Facility Amount available to the Borrower and to advance the Advances to the Borrower is subject to the satisfaction of the following conditions precedent (collectively, the “**Advance Conditions**”), each of which is for the benefit of the DIP Lenders and may be waived by the Required DIP Lenders in their sole discretion:

- (a) The Borrower shall have executed and delivered this Term Sheet.
- (b) The Court shall have issued an Order (the “**New DIP Approval Order**”) in substantially the form attached hereto as Schedule “**D**” and with such changes as are acceptable to the Borrower, the Monitor and the Required DIP Lenders, each acting reasonably, including as necessary to (i) authorize the Borrower to borrow up to the Facility Amount, and (ii) provide for a charge over the Borrower’s Collateral that shall have priority over all Liens in respect of the Borrower’s Collateral other than the Permitted Priority Liens (the “**DIP Lenders’ Charge**”).

- (c) The New DIP Approval Order shall not have been stayed, vacated or otherwise amended, restated or modified without the consent of the Required DIP Lenders, acting reasonably.
- (d) There shall be no Liens ranking in priority to the DIP Lenders' Charge over the Borrower's Collateral other than the Permitted Priority Liens.
- (e) No Default or Event of Default shall have occurred or will occur as a result of the requested Advance.

9. **COSTS AND EXPENSES:**

The Borrower shall reimburse the DIP Lenders for all reasonable and documented out-of-pocket legal and financial advisory fees and expenses incurred (i) after the date of the New DIP Approval Order in connection with the DIP Lenders' participation in the CCAA Proceedings, and (ii) before or after the date of the New DIP Approval Order only in connection with the DIP Facility and the DIP Credit Documents (collectively, the "**DIP Lenders' Expenses**"). The DIP Lenders' Expenses shall form part of the DIP Obligations secured by the DIP Lenders' Charge.

All accrued DIP Lenders' Expenses incurred prior to the date of the New DIP Approval Order in connection with the DIP Facility shall be paid in full through deduction from the Initial Advance.

10. **DIP LENDERS' CHARGE:**

All DIP Obligations shall be secured by the DIP Lenders' Charge, in connection with which the Required DIP Lenders may, in their reasonable discretion, require the execution, filing or recording of any security agreements, pledge agreements, financing statements or other documents or instruments, in order to obtain, or further evidence, a Lien on such Collateral. For greater certainty, the execution, filing or recording of any security agreements, pledge agreements, financing statements or other documents or instruments shall not be an Advance Condition except and unless the Required DIP Lenders have provided the Borrower with seven (7) Business Days' notice that the execution, filing or recording of such security agreements, pledge agreements, financing statements or other documents or instruments is required.

11. **PERMITTED LIENS AND PRIORITY:**

All Collateral will be free and clear of all Liens, except for the Permitted Liens.

12. **REPAYMENT:** The DIP Facility and the DIP Obligations shall be due and repayable in full on the earlier of: (i) the occurrence of any Event of Default which is continuing and has not been cured; (ii) the completion of a Restructuring Transaction; (iii) the conversion of the CCAA Proceedings into a proceeding under the *Bankruptcy and Insolvency Act* (Canada); (iv) the date on which the DIP Obligations are voluntarily prepaid in full and the DIP Facility is terminated and (v) October 31, 2024 (the earliest of such dates being the “**Maturity Date**”). Subject to Section 31, the Maturity Date may be extended from time to time at the request of the Borrower (in consultation with the Monitor) and with the prior written consent of the DIP Lenders for such period and on such terms and conditions as the DIP Lenders may agree in their sole discretion.

Without the consent of the Required DIP Lenders, acting in their sole discretion, no Court Order sanctioning a Plan shall discharge or otherwise affect in any way the DIP Obligations, other than after the permanent and indefeasible payment in cash to the DIP Lenders of all DIP Obligations on or before the date such Plan is implemented.

13. **DIP BUDGET AND VARIANCE REPORTING:** Attached hereto as Schedule “E” is a copy of the agreed summary DIP Budget (excluding the supporting documentation provided to the DIP Lenders in connection therewith) as in effect on the date hereof (the “**Initial DIP Budget**”), which the DIP Lenders acknowledge and agree has been reviewed and approved by it, and is in form and substance satisfactory to the DIP Lenders. Such DIP Budget shall be the DIP Budget referenced in this Term Sheet unless and until such time as a revised DIP Budget has been approved by the DIP Lenders in accordance with this Section 13.

The Borrower may update and propose a revised DIP Budget to the DIP Lenders no more frequently than every two (2) weeks (unless otherwise consented to by the Required DIP Lenders), in each case to be delivered to the Monitor and the DIP Lenders and their legal counsel by no earlier than the Friday of the second week following the date of the delivery of the prior DIP Budget. Such proposed revised DIP Budget shall have been reviewed and approved by the Monitor. If the Required DIP Lenders determine that the proposed revised DIP Budget is not acceptable, they shall, within three (3) Business Days of receipt thereof, provide written notice to the Borrower and the Monitor stating that the proposed revised DIP Budget is not acceptable and setting out the reasons why such revised DIP Budget is not acceptable, and until the Borrower has delivered a revised DIP Budget acceptable to the Required DIP Lenders, the prior DIP Budget shall remain in effect. In the event that the Required DIP Lenders do not deliver to the Borrower written notice within three (3) Business Days after receipt by the DIP Lenders of a proposed revised DIP Budget that such proposed revised DIP Budget is not acceptable to it, such proposed revised DIP Budget shall automatically and without further action be deemed to have been accepted by the Required DIP Lenders and become the DIP Budget for the purposes hereof.

At any time, the latest DIP Budget accepted by the Required DIP Lenders

shall be the DIP Budget for the purpose of this Term Sheet.

On the last Business Day of every second week, the Borrower shall deliver to the Monitor and the DIP Lenders and their legal counsel a variance calculation (the “**Variance Report**”) setting forth actual disbursements for the preceding two weeks ending on the preceding Friday (each a “**Testing Period**”) and on a cumulative basis as against the then-current DIP Budget, and setting forth all the variances, on a line-item and aggregate basis in comparison to the amounts set forth in respect thereof for such Testing Period in the DIP Budget; each such Variance Report is to be promptly discussed with the DIP Lenders and their legal and financial advisors. Each Variance Report shall include reasonably detailed explanations for any material variances during the relevant Testing Period.

14. **EVIDENCE OF INDEBTEDNESS:** The DIP Lenders’ accounts and records constitute, in the absence of manifest error, *prima facie* evidence of the indebtedness of the Borrower to the DIP Lenders pursuant to the DIP Facility.

15. **PREPAYMENTS:** Provided the Monitor consents, the Borrower may prepay any DIP Obligations at any time prior to the Maturity Date without premium or penalty. Any amount repaid may not be reborrowed without the prior written consent of the Required DIP Lenders, which may be withheld in their sole discretion.

The Borrower may, at any time, negotiate and enter into another interim financing facility that provides for the prepayment of the DIP Obligations, and the concurrent termination of the DIP Facility and this Term Sheet.

16. **INTEREST RATE:** Interest shall be payable on (a) the principal amount of Advances and (b) overdue interest, fees and DIP Lenders’ Expenses outstanding from time to time at a rate equal to 10.0% *per annum*, payable monthly in arrears in cash on the last Business Day of each month.

All interest shall be computed daily on the basis of a calendar year of 365 or 366 days, as applicable, and, if not paid when due, shall compound monthly. Whenever any interest is calculated on the basis of a period of time other than a calendar year, the annual rate of interest to which each rate of interest determined pursuant to such calculation is equivalent for the purposes of the *Interest Act* (Canada) is such rate as so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days used in the basis for such determination.

For greater certainty, unless otherwise expressly provided in this Term Sheet, all payments to be made by the Borrower to the DIP Lenders under this Term Sheet on account of principal, interest, fees or otherwise shall be made on a Pro Rata basis.

17. **EXIT FEE:** [Reserved]

18. **CURRENCY** Unless otherwise stated, all monetary denominations shall be in lawful currency of the United States and all payments made by the Borrower under this Term Sheet shall be in United States dollars. If any payment is received by the DIP Lenders hereunder in a currency other than United States dollars, or, if for the purposes of obtaining judgment in any court it is necessary to convert a sum due hereunder in any currency (the “**Original Currency**”) into another currency (the “**Other Currency**”), the parties hereby agree, to the fullest extent permitted by Applicable Law, that the rate of exchange used shall be the rate at which the DIP Lenders are able to purchase the Other Currency with the Original Currency after any costs of exchange on the Business Day preceding that on which such payment is made or final judgment is given.
19. **MANDATORY REPAYMENTS:** Unless otherwise consented to in writing by the Required DIP Lenders, the net cash proceeds of any sale, realization or disposition of, or with respect to, any of the Collateral (including obsolete, excess or worn-out Collateral) out of the ordinary course of business, or any insurance proceeds paid to the Borrower in respect of such Collateral, shall be paid to the DIP Lenders and applied to reduce the DIP Obligations and permanently reduce and cancel an equivalent portion of the Facility Amount in an amount equal to the net cash proceeds of such sale, realization, disposition or insurance (for greater certainty, net of transaction fees and applicable taxes in respect thereof). Any amount repaid may not be reborrowed.
20. **REPS AND WARRANTIES:** The Borrower represents and warrants to the DIP Lenders, upon which the DIP Lenders are relying in entering into this Term Sheet and the other DIP Credit Documents, that:
- (a) The Borrower has been duly formed and is validly existing under the law of its jurisdiction of incorporation;
 - (b) The transactions contemplated by this Term Sheet and the other DIP Credit Documents, upon the granting of the New DIP Approval Order:
 - (i) are within the powers of the Borrower;
 - (ii) have been duly executed and delivered by or on behalf of the Borrower;
 - (iii) constitute legal, valid and binding obligations of the Borrower, enforceable against the Borrower in accordance with their terms;
 - (iv) do not require any material authorization from, the consent or approval of, registration or filing with, or any other action by, any governmental authority or any third party; and
 - (v) will not violate the charter documents, articles by-laws or other constating documents of the Borrower or any

Applicable Law relating to the Borrower.

- (c) The Borrower owns its assets with good and marketable title thereto, subject only to Permitted Liens;
- (d) The business operations of the Borrower have been and will continue to be conducted in material compliance with all laws of each jurisdiction in which the business has been or is carried out;
- (e) The Borrower has obtained all material licences and permits required for the operation of its business, which licences and permits remain in full force and effect and no proceedings have been commenced or threatened to revoke or amend any of such licences or permits;
- (f) The Borrower maintains adequate insurance coverage, as is customary with companies in the same or similar business (except with respect to directors' and officers' insurance in respect of which no representation is made regarding adequacy of coverage) of such type, in such amounts and against such risks as is prudent for a business of its nature with financially sound and reputable insurers and that contain reasonable coverage and scope;
- (g) The Borrower has maintained and paid current its obligations for payroll, source deductions, harmonized, goods and services and retail sales tax, and is not in arrears of its statutory obligations to pay or remit any amount in respect of these obligations;
- (h) Other than as stayed pursuant to the Court Orders granted in these CCAA Proceedings, there is not now pending or, to the knowledge of any of the senior officers of the Borrower, threatened against the Borrower, nor has the Borrower received notice in respect of, any material claim, potential claim, litigation, action, suit, arbitration or other proceeding by or before any court, tribunal, governmental entity or regulatory body;
- (i) Except for those defaults which have been disclosed to the DIP Lenders in writing, all Material Contracts are in full force and effect and are valid, binding and enforceable in accordance with their terms and the Borrower does not have any knowledge of any default that has occurred and is continuing thereunder (other than those defaults arising as a result of or relating to the insolvency of the Borrower or any of its affiliates or the commencement of the CCAA Proceedings);
- (j) Except as disclosed to the DIP Lenders in writing by the Borrower, there are no agreements of any kind between the Borrower and any other third party or any holder of debt or Equity Securities of the Borrower with respect to any Restructuring Transaction, which remain in force and effect as of the Filing Date;

- (k) No Default or Event of Default has occurred and is continuing; and
- (l) All written information furnished by or on behalf of the Borrower to the DIP Lenders or their advisors for the purposes of, or in connection with, this Term Sheet, the other DIP Credit Documents, or any other relevant document or any other transaction contemplated thereby, is true and accurate in all material respects on the date as of which such information is dated or certified, and not incomplete by omitting to state any material fact necessary to make such information not misleading at such time in light of then-current circumstances.

21. AFFIRMATIVE COVENANTS:

The Borrower agrees to do, or cause to be done, the following until the DIP Obligations are permanently and indefeasibly repaid in full:

- (a) (i) Allow representatives or advisors of the DIP Lenders reasonable access to the books, records, financial information and electronic data rooms of or maintained by the Borrower, and (ii) cause management, the financial advisor and/or legal counsel of the Borrower to cooperate with reasonable requests for information by the DIP Lenders and their legal and financial advisors in connection with matters reasonably related to the DIP Facility, the CCAA Proceedings, or compliance of the Borrower with its obligations pursuant to this Term Sheet, in each case subject to applicable privacy laws, solicitor-client privilege, and any disclosure restrictions contained in any Court Order or that, in the opinion of the Borrower (in consultation with the Monitor), each acting reasonably, are necessary to protect the Borrower's restructuring process;
- (b) Keep the DIP Lenders apprised on a timely basis of all material developments with respect to the business and affairs of the Borrower and the CCAA Proceedings, including all matters relating to its pursuit of a Restructuring Transaction, in each case subject to any disclosure restrictions contained in any Court Order or that, in the opinion of the Borrower (in consultation with the Monitor), each acting reasonably, are necessary to protect the Borrower's restructuring process;
- (c) Deliver to the DIP Lenders the reporting and other information from time to time reasonably requested by the Required DIP Lenders and as set out in this Term Sheet including, without limitation, the Variance Reports at the times set out herein;
- (d) Use the proceeds of the DIP Facility only in accordance with the restrictions set out in this Term Sheet and pursuant to the DIP Budget and Court Orders, subject to Permitted Variances;

- (e) Obtain the New DIP Approval Order by May 1, 2024, substantially in the form attached hereto and with such changes as are acceptable to the Borrower, the Monitor and the Required DIP Lenders, each acting reasonably;
- (f) Comply with the provisions of the New DIP Approval Order and all other Court Orders;
- (g) Preserve, renew and keep in full force its corporate existence;
- (h) Promptly notify the DIP Lenders of the occurrence of any Default or Event of Default;
- (i) Comply with Applicable Law in all material respects, except to the extent not required to do so pursuant to any Court Order;
- (j) Provide the DIP Lenders and their counsel draft copies of and the opportunity to comment on all motions, applications, proposed Court Orders and other materials or documents that the Borrower intends to file in the CCAA Proceedings at least two (2) Business Days prior to any such filing or, where it is not practically possible to do so within such time, as soon as possible prior to the date on which such motion, application, proposed Court Order or other materials or document is served on the service list in respect of the CCAA Proceeding;
- (k) Take all commercially reasonable actions necessary or available to defend the Court Orders from any appeal, reversal, modifications, amendment, stay or vacating not expressly consented to in writing in advance by the Required DIP Lenders relating to the DIP Facility or the DIP Lenders' Charge;
- (l) Promptly provide notice to the DIP Lenders and their counsel, and keep them otherwise apprised, of any material developments in respect of any Material Contract, subject to any disclosure restrictions contained in any Court Order or that, in the opinion of the Borrower (in consultation with the Monitor), each acting reasonably, are necessary to protect the Borrower's restructuring process;
- (m) Promptly provide notice to the DIP Lenders and their counsel, and keep them otherwise apprised, of any material notices, orders, decisions, letters, or other documents, materials, information or correspondence received from any regulatory authority having jurisdiction over the Borrower;
- (n) Provide the DIP Lenders and its advisors from time to time, on a confidential basis, with such information regarding the progress of the Borrower's pursuit of a Restructuring Transaction as may be reasonably requested by the Required DIP Lenders, subject to any disclosure restrictions contained in any Court Order, or that, in the

opinion of the Borrower (in consultation with the Monitor), each acting reasonably, are necessary to protect the Borrower's restructuring process;

- (o) Execute and deliver such loan and security documentation as may be reasonably requested by the Required DIP Lenders from time to time;
- (p) At all times maintain adequate insurance coverage of such kind and in such amounts and against such risks as is customary for the business of the Borrower with financially sound and reputable insurers in coverage and scope acceptable to the Required DIP Lenders, acting reasonably, and, if requested by the Required DIP Lenders, cause the DIP Lenders to be listed as the loss payees or additional insureds (as applicable) on such insurance policies. The DIP Budget shall permit funding sufficient to pay the premiums in respect of such insurance, including director and officer tail insurance at the discretion of and on terms acceptable to the Borrower;
- (q) Promptly following receipt of summary invoices, pay all DIP Lenders' Expenses no less frequently than every two weeks, provided that the DIP Lenders shall provide reasonable estimates of such expenses for purposes of the DIP Budget;
- (r) [reserved];
- (s) Promptly upon becoming aware thereof, provide details of any pending, or threatened claims, potential claims, litigation, actions, suits, arbitrations, other proceedings or notices received in respect of same, against the Borrower by or before any court, tribunal, Governmental Authority or regulatory body, which would be reasonably likely to result, individually or in the aggregate, in a judgment in excess of \$100,000;
- (t) Comply with the DIP Budget subject to the Permitted Variance; and
- (u) Act diligently and in good faith in the pursuit of the CCAA Proceedings.

22. **NEGATIVE COVENANTS:**

The Borrower covenants and agrees not to do, or cause not to be done, the following, until the DIP Obligations are permanently and indefeasibly repaid in full, other than with the prior written consent of the Required DIP Lenders or with the express consent required as outlined below:

- (a) Transfer, lease or otherwise dispose of all or any material part of its property, assets or undertaking outside of the ordinary course of business, except for the disposition of obsolete, redundant or ancillary assets in accordance with the amended and restated initial Order dated October 30, 2023 (the "**Amended and Restated Initial**

Order”) or another Court Order;

- (b) Make any payment, including, without limitation, any payment of principal, interest or fees, in respect of any obligation of the Borrower arising or relating to the period prior to the Filing Date, other than in accordance with the Court Orders and the DIP Budget;
- (c) Create or permit to exist any indebtedness other than (i) the indebtedness existing as of the Filing Date, (ii) the DIP Obligations, and (iii) any obligation expressly permitted to be incurred pursuant to any Court Order and (iv) post-filing trade payables or other unsecured obligations incurred in the ordinary course of business on or following the Filing Date in accordance with the DIP Budget and the Amended and Restated Initial Order;
- (d) Make (i) any distribution, dividend, return of capital or other distribution in respect of Equity Securities (in cash, securities or other property or otherwise); or (ii) a retirement, redemption, purchase or repayment or other acquisition of Equity Securities or indebtedness (including any payment of principal, interest, fees or any other payments thereon);
- (e) Issue any Equity Securities nor create any new class of Equity Securities or amend any terms of its existing Equity Securities, other than in connection with a Restructuring Transaction approved pursuant to a Court Order;
- (f) Consent to or take any steps in furtherance of the exercise of any conversion right under any Equity Securities issued by it;
- (g) Except as authorized by a Court Order, increase compensation or severance entitlements or other benefits payable to directors, senior officers or senior management, or pay any bonuses whatsoever, other than in accordance with the DIP Budget;
- (h) Make any investments or acquisitions of any kind, direct or indirect, in any business or otherwise other than in accordance with the DIP Budget;
- (i) Create or permit to exist any Liens on any of its properties or assets other than the Permitted Liens;
- (j) Make any payments (including payments to affiliates) or expenditures (including capital expenditures), other than in accordance with the DIP Budget, subject to the Permitted Variance and provided that the Borrower shall in no event pay any professional or advisory fees (including any legal fees or expenses) of any other Person (other than the Borrower, the DIP Lenders and the Monitor) that are not provided for in the DIP Budget, except pursuant to the terms of a binding support agreement with such Person with respect to the Restructuring Transaction that is

acceptable to the DIP Lenders, or as may otherwise be agreed to by the DIP Lenders and the Borrower (in consultation with the Monitor);

- (k) [reserved];
- (l) Amalgamate, consolidate with or merge into or sell all or substantially all of its assets to another entity, or change its corporate or capital structure (including its organizational documents) except as may be approved by Court Order or undertaken pursuant to a Court-approved Restructuring Transaction;
- (m) Make any changes to composition (including addition, removal or replacement of directors) of the board of directors of the Borrower (other than a resignation by a director), other than pursuant to a Court Order;
- (n) Seek, obtain, support, make or permit to be made any Court Order or any change, amendment or modification to any Court Order that would materially affect the rights or protections of the DIP Lenders under or in connection with the DIP Facility or the DIP Lenders' Charge, except with the prior written consent of the Required DIP Lenders, in their sole discretion;
- (o) Enter into any settlement agreement or agree to any settlement arrangements with any Governmental Authority or regulatory authority or in connection with any litigation, arbitration, other investigations, proceedings or disputes or other similar proceedings which are threatened or pending against it;
- (p) Without the approval of the Court, cease to carry on its business or activities or any material component thereof as currently being conducted or modify or alter in any material manner the nature and type of its operations or business;
- (q) Seek, or consent to the appointment of, a receiver or trustee in bankruptcy or any similar official in any jurisdiction; or
- (r) Seek or consent to the lifting of the stay of proceedings in favour of the Borrower.

23. EVENTS OF DEFAULT:

The occurrence of any one or more of the following events shall constitute an event of default (each an “**Event of Default**”) under this Term Sheet:

- (a) Failure of the Borrower to pay: (i) principal, interest or other amounts when due pursuant to this Term Sheet or any other DIP Credit Documents; or (ii) the DIP Lenders' Expenses within ten (10) Business Days of being invoiced therefor, and such failure, in the case of items (i) and (ii) remains unremedied for more than

three (3) Business Days;

- (b) Failure of the Borrower to perform or comply with any term, condition, covenant or obligation pursuant to this Term Sheet, and such failure remains unremedied for more than three (3) Business Days, *provided that*, where another provision in this Section 23 expressly provides for a shorter or no cure period in respect of a particular Event of Default, such other provision shall apply;
- (c) Any representation or warranty by the Borrower made or deemed to be made in this Term Sheet or any other DIP Credit Document is or proves to be incorrect or misleading in any material respect as of the date made;
- (d) A default (other than a default resulting from the insolvency of the Borrower or the commencement of the CCAA Proceedings by the Borrower including, for greater certainty, as a result of failure to pay pre-filing amounts as a result of the commencement of the CCAA Proceedings) under any Material Contract (other than any contract between the Borrower and Cargill or the Borrower and CITPL) or any material amendment of any Material Contract unless agreed to by the Required DIP Lenders in writing;
- (e) [reserved];
- (f) Issuance of any Court Order (i) dismissing the CCAA Proceedings or lifting the stay of proceedings therein to permit the enforcement of any security against the Borrower or their Collateral, the appointment of a receiver, interim receiver or similar official, an assignment in bankruptcy, or the making of a bankruptcy order or receiving order against or in respect of the Borrower, in each case which order is not stayed pending appeal thereof; (ii) granting any other Lien in respect of the Borrower's Collateral that is in priority to or *pari passu* with the DIP Lenders' Charge other than a Permitted Priority Lien, (iii) modifying this Term Sheet or any other DIP Credit Document without the prior written consent of the Required DIP Lenders in their sole discretion; or (iv) staying, reversing, vacating or otherwise modifying any Court Order in respect of the DIP Facility or the DIP Lenders' Charge without the prior written consent of the Required DIP Lenders in their sole discretion;
- (g) Unless consented to in writing by the Required DIP Lenders, the expiry without further extension of the stay of proceedings granted by Court Order in these CCAA Proceedings;
- (h) (i) a Variance Report is not delivered within two (2) Business Days of the day on which such Variance Report is required to be delivered pursuant to this Term Sheet, or (ii) there shall exist a cumulative negative variance in excess of the Permitted Variance for the period from the date of the New DIP Approval Order to the

last day of such Testing Period, measured relative to the Initial DIP Budget or such revised DIP Budget as has been approved by the Required DIP Lenders in accordance with Section 13;

- (i) The denial or repudiation by the Borrower of the legality, validity, binding nature or enforceability of this Term Sheet or any other DIP Credit Documents or the DIP Obligations; or
- (j) Except as stayed by order of the Court or any other court with jurisdiction over the matter, the entry of one or more final judgments, writs of execution, garnishment or attachment representing a claim in excess of \$500,000 in the aggregate, against the Borrower or its Collateral that is not released, bonded, satisfied, discharged, vacated, stayed or accepted for payment by an insurer within 30 days after their entry, commencement or levy.

24. REMEDIES:

Upon the occurrence of an Event of Default, and subject to the Court Orders, the Required DIP Lenders may, in their sole discretion, elect to terminate the commitments hereunder and declare the DIP Obligations to be immediately due and payable and refuse to permit further Advances. In addition, upon the occurrence of an Event of Default, the Required DIP Lenders may, with leave of the Court on four (4) Business Days' notice to the Borrower and the Monitor, and in accordance with the Court Orders:

- (a) apply to the Court for the appointment of a receiver, interim receiver or receiver and manager over the Borrower or all or certain of its Collateral, or for the appointment of a trustee in bankruptcy in respect of the Borrower;
- (b) set-off or combine any amounts then owing by the DIP Lenders to the Borrower against the DIP Obligations; and
- (c) exercise against the Borrower the powers and rights of a secured party pursuant to the *Personal Property Security Act* (Ontario).

25. INDEMNITY AND RELEASE:

The Borrower agrees to indemnify and hold harmless the DIP Lenders and their affiliates and their respective directors, officers, employees, agents, counsel and advisors (all such persons and entities being referred to hereafter as "**Indemnified Persons**") from and against any and all actions, suits, proceedings, claims, losses, damages, liabilities or expenses of any kind or nature whatsoever (excluding indirect or consequential damages and claims for lost profits) which may be incurred by or asserted against any Indemnified Person (collectively, "**Claims**") as a result of or arising out of or in any way related to the DIP Facility or this Term Sheet and, upon demand, to pay and reimburse any Indemnified Person for any reasonable legal or other out-of-pocket expenses incurred in connection with investigating, defending or preparing to defend any such action, suit, proceeding or claim; provided, however, the Borrower shall not be obligated to indemnify pursuant to this paragraph any Indemnified Person against any loss, claim, damage, expense or liability (x) to the extent it resulted from the gross negligence, wilful misconduct or bad faith of any

Indemnified Person as finally determined by a court of competent jurisdiction, or (y) to the extent arising from any dispute solely among Indemnified Persons other than any Claims arising out of any act or omission on the part of the Borrower. The Borrower shall not be responsible or liable to any Indemnified Person or any other person for consequential or punitive damages.

Notwithstanding anything to the contrary herein, the indemnities granted under this Term Sheet shall survive any termination of the DIP Facility.

26. **TERMINATION BY BORROWER:** The Borrower shall be entitled to terminate this Term Sheet upon notice to the DIP Lenders: (i) in the event that the DIP Lenders have failed to fund the Facility Amount when required to do so under this Term Sheet, or (ii) at any time following the indefeasible payment in full in immediately available funds of all of the outstanding DIP Obligations. Effective immediately upon such termination, all obligations of the Borrower and the DIP Lenders under this Term Sheet shall cease, except for those obligations that explicitly survive termination. For greater certainty, all outstanding DIP Obligations in respect of all Advances funded prior to such termination shall become immediately due and payable concurrently with such termination and the DIP Lenders shall not be required to make any further extensions of credit under this Term Sheet.
27. **HEDGING:** The parties agree that upon entry into this Term Sheet, the Borrower shall be authorized to enter into one or more hedging arrangements from time to time, as may be mutually agreed by the Borrower and the DIP Lenders, and approved by the Monitor.
28. **TAXES:** All payments by the Borrower to the DIP Lenders pursuant to this Term Sheet or otherwise on account of the DIP Obligations, including any payments required to be made from and after the exercise of any remedies available to the DIP Lenders upon an Event of Default, shall be made free and clear of, and without reduction for or on account of, any present or future taxes, levies, imposts, duties, charges, fees, deductions or withholdings of any kind or nature whatsoever or any interest or penalties payable with respect thereto now or in the future imposed, levied, collected, withheld or assessed by any country or any political subdivision of any country (collectively “**Taxes**”); provided, however, that if any Taxes are required by Applicable Law to be withheld (“**Withholding Taxes**”) from any amount payable to the DIP Lenders under this Term Sheet or otherwise on account of the DIP Obligations, the amount so payable to the DIP Lenders shall be increased to the extent necessary to yield to the DIP Lenders on a net basis after payment of all Withholding Taxes, the amount payable under this Term Sheet at the rate or in the amount specified herein and the Borrower shall provide evidence satisfactory to the DIP Lenders that the Withholding Taxes have been so withheld and remitted.

If the Borrower pays an additional amount to the DIP Lenders to account for any Withholding Taxes, the DIP Lenders shall reasonably cooperate with the Borrower to obtain a refund of the amounts so withheld, including filing income tax returns in applicable jurisdictions, claiming a refund of

such Withholding Tax and providing evidence of entitlement to the benefits of any applicable tax treaty. The amount of any refund so received, and interest paid by the tax authority with respect to any refund, shall be paid over by the DIP Lenders to the Borrower promptly. If reasonably requested by the Borrower, the DIP Lenders shall apply to the relevant taxing authority to obtain a waiver from such withholding requirement, and the DIP Lenders shall cooperate with the Borrower and assist the Borrower to minimize the amount of Withholding Tax required, in each case at the Borrower's expense.

29. **STRATEGIC
PROCESS:**

[Reserved]

30. **ASSIGNMENT:**

The DIP Lenders may assign their rights and obligations under the DIP Facility and the DIP Credit Documents, in whole or in part, to any Person acceptable to the DIP Lenders with the prior written consent of (i) prior to an Event of Default, the Borrower, such consent not to be unreasonably withheld; and (ii) the Monitor based solely on the Monitor being satisfied, in its reasonable discretion, that the proposed assignee has the financial capacity to act as a DIP Lender. Notwithstanding the foregoing, the DIP Lenders shall be entitled to assign their rights and obligations hereunder to an affiliate without the consent of any other party.

Neither this Term Sheet nor any right and obligation hereunder or in respect of the DIP Facility may be assigned by the Borrower.

31. **AMENDMENTS,
WAIVERS, ETC.**

No waiver or delay on the part of the DIP Lenders in exercising any right or privilege hereunder will operate as a waiver hereof or thereof unless made in writing and delivered in accordance with the terms of this Term Sheet. Unless otherwise expressly provided in this Term Sheet, any waiver, amendment or other modification to this Term Sheet shall require the written consent of the Required DIP Lenders; provided that, notwithstanding the foregoing, solely with the consent of each DIP Lender directly and adversely affected thereby (but without the necessity of obtaining the consent of the Required DIP Lenders), any such agreement may:

- (a) increase the DIP Financing Commitment of such DIP Lender; it being understood that no amendment, modification or waiver of, or consent to departure from, any condition precedent, representation, warranty, covenant, Default, Event of Default, mandatory prepayment or mandatory reduction of the DIP Financing Commitments shall constitute an increase of any DIP Financing Commitment of such DIP Lender;
- (b) reduce or forgive the principal amount of any Advances (it being understood that a waiver of any Default, Event of Default, mandatory prepayment or mandatory reduction of the DIP Financing Commitments shall not constitute a reduction or forgiveness in principal);

- (c) extend the scheduled Maturity Date (it being understood that a waiver of any mandatory prepayment or mandatory reduction of the DIP Financing Commitments shall not constitute an extension of the Maturity Date);
- (d) reduce the interest rate provided for in Section 16 (other than to waive any Default or Event of Default or any obligations of the Borrower to pay interest at the default rate of interest in accordance with Section 16 of this Agreement) or the amount of any fees owed to such DIP Lender;
- (e) waive, amend or modify the provisions of Section 16 (with respect to Pro Rata allocation of all payments among DIP Lenders) of this Agreement in a manner that would by its terms alter the Pro Rata sharing of payments required thereby;
- (f) waive, amend or modify the definition of “Pro Rata”;
- (g) waive, amend or modify the definition of “Required DIP Lenders”, and
- (h) waive, amend or modify the provisions of this Section 31.

Notwithstanding anything else in this Term Sheet, and for greater certainty, this Term Sheet may not be waived, amended or modified to reduce the principal amount owed to any DIP Lender under the DIP Facility or increase the amount of any DIP Lender’s commitment under the DIP Facility, in each case, without the prior written consent of such DIP Lender.

Any waiver, amendment or modification to the terms of this Term Sheet shall be made in writing and signed by the Borrower and the requisite DIP Lenders.

To the extent any fees or other compensation becomes payable to the DIP Lenders in connection with any amendment to this Term Sheet, all DIP Lenders shall have the opportunity to receive their Pro Rata portion of any such fees or other compensation. To the extent any further financing above the Facility Amount is requested from any of the DIP Lenders by the Borrower, its affiliates or their advisors, the DIP Lenders shall have the opportunity to participate on a Pro Rata basis.

32. NOTICE:

Any notice, request or other communication hereunder to any of the parties shall be in writing and be well and sufficiently given if delivered personally or sent by electronic mail to the attention of the person as set forth below:

(a) In the case of the Borrower:

Tacora Resources Inc.
102 NE 3rd Street Suite 120
Grand Rapids, Minnesota

55744 USA

Attention: Joe Broking & Heng Vuong
 Email: joe.broking@tacoraresources.com;
heng.vuong@tacoraresources.com

With a copy to:

Stikeman Elliott LLP
 5300 Commerce Court West, 199 Bay St.
 Toronto, ON M5L 1B9

Attention: Ashley Taylor & Lee Nicholson
 Email: ataylor@stikeman.com; leenicholson@stikeman.com

and

Greenhill & Co., LLC
 1271 6th Ave, New York,
 NY 10020, USA

Attention : Chetan Bhandari, Michael Nessim & Usman Masood
 Email : chetan.bhandari@greenhill.com; michael.nessim@greenhill.com;
usman.masood@greenhill.com

And with a copy to the Monitor:

FTI Consulting Canada Inc.
 Toronto-Dominion Centre, 79 Wellington St W Suite 2010, Toronto, ON
 M5K 1G8

Attention: Paul Bishop & Jodi Porepa
 Email: paul.bishop@fticonsulting.com; jodi.porepa@fticonsulting.com

And with a copy to the Monitor's Counsel:

Cassels Brock & Blackwell LLP
 Bay Adelaide Centre – North Tower,
 Suite 3200, Toronto, ON M5H 0B4

Attention: Ryan Jacobs & Jane Dietrich
 Email: rjacobs@cassels.com; jdietrich@cassels.com.

(b) In the case of the DIP Lenders:

c/o
 GLC Advisors & Co., LLC
 600 Lexington Ave., 9th Floor
 New York, NY 10022 USA

Attention: Michael Sellinger, Michael Kizer & Adam Kelly-Penso
 Email: michael.sellinger@glca.com; michael.kizer@glca.com;

adam.kellypenso@glca.com

With a copy to:

Osler, Hoskin & Harcourt LLP
First Canadian Place
100 King St. W Suite 6200
M5X 1B8

Attention: Marc Wasserman, Michael De Lellis & Justin Sherman
mwasserman@osler.com; mdelellis@osler.com; jsherman@osler.com

Any such notice shall be deemed to be given and received, when received, unless received after 5:00 ET or on a day other than a Business Day, in which case the notice shall be deemed to be received the next Business Day.

33. **GOVERNING LAW AND JURISDICTION:** This Term Sheet shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein.

[signature pages follow]

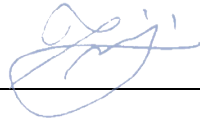
IN WITNESS WHEREOF, the parties hereto have caused this Term Sheet to be executed by their duly authorized representatives as of the date first written above.

TACORA RESOURCES INC., as Borrower

By: _____
Name:
Title:

**JAVELIN GLOBAL COMMODITIES (SG)
PTE LTD.**

By:



Name:

Title:

SMALL MICRO LLC

By:




Name: *Muhammad Hamid*

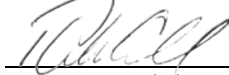
Title: *Analyst / Partner*

**O'BRIEN-STALEY PARTNERS (on behalf of
OSP Value Fund III, LP and OSP Value Fund
IV, LP)**

By:


Name: *Adam Bernier*
Title: *CEO*

BRIGADE CAPITAL MANAGEMENT, L.P.
as Investment Manager on Behalf of its Various
Funds and Accounts

By:  _____
Name: Patrick Criscillo
Title: Chief Financial Officer

MSD PARTNERS, L.P.

By:  _____
Name: Marcello Liguori
Title: Authorized Signatory

**MILLSTREET CAPITAL MANAGEMENT
LLC, AS INVESTMENT MANAGER ON
BEHALF OF MULTIPLE NOTEHOLDERS**

By:

Name: Craig M. Kelleher
Title: Managing Member

**SCHEDULE “A”
DEFINED TERMS**

“**Administration Charge**” has the meaning provided in the Amended and Restated Initial Order.

“**Advance**” means an amount of the DIP Facility advanced to the Borrower pursuant to the terms hereof from time to time, and for greater certainty includes the Initial Advance and the Subsequent Advances.

“**Advance Conditions**” has the meaning given thereto in Section 8.

“**Advance Confirmation Certificate**” has the meaning given thereto in Section 4.

“**Amended and Restated Initial Order**” has the meaning given thereto in Section 22.

“**Applicable Law**” means, in respect of any Person, property, transaction or event, all applicable laws, statutes, rules, by-laws and regulations and all applicable official directives, orders, judgments and decrees of any Governmental Body having the force of law.

“**Borrower**” has the meaning given thereto in Section 1.

“**Borrower Restructuring Expenses**” has the meaning given thereto in Section 6.

“**Business Day**” means each day other than a Saturday or Sunday or a statutory or civic holiday that banks are open for business in Canada and the United States of America.

“**Cargill**” has the meaning given thereto in the recitals.

“**Cargill DIP**” has the meaning given thereto in the recitals.

“**CCAA**” has the meaning given thereto in the recitals.

“**CCAA Proceedings**” has the meaning given thereto in the recitals.

“**CITPL**” means Cargill International Trading PTE Ltd., and its successors and assigns.

“**Claims**” has the meaning given thereto in Section 25.

“**Collateral**” means, in respect of a Person, all current or future assets, businesses, undertakings and properties of such Person, including all proceeds thereof.

“**Court**” has the meaning given thereto in the recitals.

“**Court Order**” means any order of the Court in the CCAA Proceedings.

“**Default**” means an event or circumstance which, after the giving of notice or the passage of time, or both, will result in an Event of Default.

“**DIP Budget**” means the weekly financial projections prepared by the Borrower covering the period to and including the week ended July 21, 2024, on a weekly basis, which shall be in form and substance acceptable to the DIP Lenders, acting reasonably (as to scope, detail and content), which financial projections may be amended from time to time in accordance with Section 13. For greater certainty, for

purposes of this Term Sheet, the DIP Budget shall include all supporting documentation provided in respect thereof to the DIP Lenders.

“**DIP Credit Documents**” means this Term Sheet and all other loan and security documents executed by the Borrower in connection with this Term Sheet from time to time.

“**DIP Facility**” has the meaning given thereto in Section 4.

“**DIP Financing Commitment**” means, with respect to each of the respective DIP Lenders, the amount indicated in Schedule “B” hereto, the amount of which may not be amended for a specific DIP Lender, without the prior written consent of that DIP Lender.

“**DIP Obligations**” means (i) all Advances made under the DIP Facility, (ii) all other principal, interest, fees due hereunder and (iii) DIP Lenders’ Expenses, in each case to the extent incurred or arising after the date of the New DIP Approval Order.

“**DIP Lenders’ Expenses**” has the meaning given thereto in Section 9.

“**DIP Lenders**” has the meaning given thereto in the recitals.

“**DIP Lenders’ Charge**” has the meaning given thereto in Section 8.

“**Directors’ Charge**” means the Court-ordered priority charge over the Borrower’s Collateral granted by the Court pursuant to the Amended and Restated Initial Order.

“**Fourth Advance**” has the meaning given thereto in Section 4.

“**Equity Securities**” means, with respect to any Person, any and all shares, interests, participations, rights in, or other equivalents (however designated and whether voting and nonvoting) of, such Person’s capital, whether outstanding on the date hereof or issued after the date hereof, including any interest in a partnership, limited partnership or other similar Person and any beneficial interest in a trust, and any and all rights, warrants, debt securities, options or other rights exchangeable for or convertible into any of the foregoing.

“**Event of Default**” has the meaning given thereto in Section 23.

“**Facility Amount**” has the meaning given thereto in Section 4.

“**Filing Date**” means the date on which the Initial Order is granted by the Court in the CCAA Proceedings.

“**Governmental Authority**” means any federal, provincial, state, municipal, local or other government, governmental or public department, commission, board, bureau, agency or instrumentality, domestic or foreign and any subdivision, agent, commission, board or authority of any of the foregoing.

“**Indemnified Persons**” has the meaning given thereto in Section 25.

“**Initial Advance**” has the meaning given thereto in Section 4.

“**Initial DIP Budget**” has the meaning given thereto in Section 13.

“**Initial Order**” has the meaning given thereto in the recitals.

“**KERP**” means the key employee retention program approved by this Court pursuant to the Amended and Restated Initial Order.

“**KERP Charge**” means the charge granted by the Court to secure the KERP pursuant to the Amended and Restated Initial Order.

“**Liens**” means all liens, hypothecs, charges, mortgages, trusts (including deemed, statutory and constructive trusts), encumbrances, security interests, and statutory preferences of every kind and nature whatsoever.

“**Material Contract**” means any contract, license or agreement: (i) to which the Borrower is a party or is bound; (ii) which is material to, or necessary in, the operation of the business of such Borrower; and (iii) which such Borrower cannot promptly replace by an alternative and comparable contract with comparable commercial terms.

“**Maturity Date**” has the meaning given thereto in Section 12.

“**Monitor**” means FTI Consulting Canada Inc.

“**New DIP Approval Order**” has the meaning given thereto in Section 8.

“**Operating Account**” means a bank account of the Borrower designated by the Borrower to receive Advances.

“**Original Currency**” has the meaning given thereto in Section 18.

“**Other Currency**” has the meaning given thereto in Section 18.

“**Permitted Liens**” means (i) the Permitted Priority Liens; (ii) the DIP Lenders’ Charge; (iii) any charges created under the Initial Order or other Court Order subsequent in priority to the DIP Lenders’ Charge; (iv) Liens existing prior to the Filing Date; and (v) inchoate statutory Liens arising after the Filing Date in respect of any accounts payable arising after the Filing Date in the ordinary course of business.

“**Permitted Priority Liens**” means (i) the Administration Charge, (ii) the Directors’ Charge, (iii) the KERP Charge (if applicable), (iv) the Transaction Fee Charge, (v) any Lien in respect of amounts payable by the Borrower for wages, vacation pay, employee deductions, sales tax, excise tax, tax payable pursuant to Part IX of the *Excise Tax Act* (Canada) (net of input credits), income tax and workers compensation claims, in the case of each of the items listed in this clause (v), solely to the extent such amounts are given priority by Applicable Law and only to the extent that the priority of such amounts has not been subordinated to the DIP Lenders’ Charge granted by the Court and (vi) such other Liens existing as of the date of the New DIP Approval Order that have not been subordinated to the DIP Lenders’ Charge granted by the Court.

“**Permitted Variance**” means a variance of not more than 15% relative to the aggregate disbursements (excluding the DIP Lenders’ Expenses) on a cumulative basis since the beginning of the period covered by the applicable DIP Budget.

“**Person**” means an individual, partnership, corporation, business trust, joint stock company, limited liability company, trust, unincorporated association, joint venture, Governmental Authority or other entity of whatever nature.

“**Plan**” means any plan of compromise or arrangement pursuant to the CCAA in respect of the Borrower.

“**Pro Rata**” means, in respect of any DIP Lender at any time, the ratio of the DIP Obligations owing to such DIP Lender at such time to the aggregate DIP Obligations owing to all DIP Lenders.

“**Required DIP Lenders**” means, at any time, DIP Lenders holding at least 60% of the aggregate DIP Financing Commitments held by DIP Lenders.

“**Restructuring Transaction**” means any restructuring, financing, refinancing, recapitalization, sale, liquidation, workout, Plan or other material transaction of, or in respect of, the Borrower or all or substantially all of their business, assets or obligations.

“**Second Advance**” has the meaning given thereto in Section 4.

“**Subsequent Advances**” has the meaning given thereto in Section 4.

“**Tacora**” has the meaning given in the recitals.

“**Taxes**” has the meaning given thereto in Section 28.

“**Third Advance**” has the meaning given thereto in Section 4.

“**Transaction Fee Charge**” means the charge in favour of Greenhill & Co. Canada Ltd. approved by the Court pursuant to the Amended and Restated Initial Order.

“**Term Sheet**” has the meaning given thereto in the recitals.

“**Testing Period**” has the meaning given thereto in Section 13.

“**Variance Report**” has the meaning given thereto in Section 13.

“**Withholding Taxes**” has the meaning given thereto in Section 28.

**SCHEDULE “B”
DIP FINANCING COMMITMENT**

The allocations below assume maximum amount of the DIP Facility is funded. Each Advance shall be funded *pro rata* based on the allocations below by the DIP Lenders.

<u>DIP Lender</u>	<u>Total DIP Financing Commitment (\$)</u>
Javelin Global Commodities (SG) Pte Ltd.	
Small Micro LLC	
O’Brien-Staley Partners	
Brigade Capital Management, L.P.	
Millstreet Capital Management LLC	
MSD Partners, L.P.	

**SCHEDULE “C”
FORM OF ADVANCE CONFIRMATION CERTIFICATE**

TO: GLC Advisors Co., on behalf of the DIP Lenders

DATE: [●]

Reference is made to that certain DIP Facility Term Sheet between Tacora Resources Inc., as Borrower, and the DIP Lenders as lenders dated April 15, 2024 (the “**Term Sheet**”). Capitalized terms used herein and not otherwise defined have the meanings given to them in the Term Sheet.

The Borrower hereby gives irrevocable notice pursuant to the terms of the Term Sheet for **[the Initial Advance / the Subsequent Advances]** (the “**Requested Advance**”) as follows:

The date of the Requested Advance is: _____

The requested amount of the Requested Advance is: \$ _____

The Requested Advance shall be deposited into the Operating Account on [●].

The DIP Lenders are hereby irrevocably instructed and directed to fund the Requested Advance in accordance with the wire instructions set out in Schedule A.

The Borrower hereby certifies:

- (i) that all representations and warranties of the Borrower contained in the Term Sheet remain true and correct in all material respects both before and after giving effect to the use of the Requested Advance;
- (ii) that all representations and warranties of the Borrower contained in the Term Sheet remain true and correct in all material respects both before and after giving effect to the use of the Requested Advance;
- (iii) that no Event of Default exists and is continuing or would result from the Requested Advance, and
- (iv) that the use of proceeds of the Requested Advance will comply with the DIP Budget (subject to the Permitted Variance).

TACORA RESOURCES INC., as Borrower

Per: _____

Name:

Title:

SCHEDULE "D"
FORM OF NEW DIP APPROVAL ORDER

See attached.

SCHEDULE "E"
DIP BUDGET

See attached.

TAB C

This is Exhibit "C" referred to in the Affidavit of Ben Muller, affirmed at the City of Toronto, in the Province of Ontario, before me on April 23, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

Carla Breadon (LSO#74478C)

Muller, Ben

From: Lee Nicholson <leenicholson@stikeman.com>
Sent: Tuesday, April 16, 2024 8:53 PM
To: Muller, Ben; Ashley Taylor
Cc: Wasserman, Marc; De Lellis, Michael; Ryan Jacobs - Cassels (rjacobs@cassels.com); Dietrich, Jane; Philip Yang; Natasha Rambaran
Subject: RE: Tacora - DIP Facility Term Sheet
Attachments: DIP Facility Term Sheet - Cargill Replacement - 16-APR-2024(119083589.1).doc

Follow Up Flag: Follow up
Flag Status: Completed

Osler team – please find attached a mark up with two commercial points that we ask you to consider, being:

1. Providing the Company with the ability to PIK interest
2. Accruing fees as DIP obligations instead of being paid in cash

Additionally from our earlier discussions, we understood fees incurred prior to the DIP were not required to be paid and accordingly, we have also made that change.

The attached remains subject to ongoing review / comment by the Company and the Monitor.

Lee Nicholson

Direct: +1 416 869 5604
 Mobile: +1 647 821 1931
 Email: leenicholson@stikeman.com

If you do not wish to receive our email marketing messages, please **unsubscribe**.

From: Muller, Ben
Sent: Monday, April 15, 2024 4:07 PM
To: Ashley Taylor <ATAYLOR@stikeman.com>; leenicholson@stikeman.com; Michael Nessim <michael.nessim@greenhill.com>; Chetan Bhandari <chetan.bhandari@greenhill.com>; Usman Masood <usman.masood@greenhill.com>; Charles Geizhals <charles.geizhals@greenhill.com>; Bishop, Paul <Paul.Bishop@fticonsulting.com>; Jodi.Porepa@fticonsulting.com; RJacobs@cassels.com; JDietrich@cassels.com; Merskey, Alan <amerskey@cassels.com>
Cc: Wasserman, Marc <MWasserman@osler.com>; De Lellis, Michael <MDeLellis@osler.com>; Dacks, Jeremy <JDacks@osler.com>; Tundra-Osler <Tundra-Osler@glca.com>; Michael Kizer <michael.kizer@glca.com>; Michael Sellinger <michael.sellinger@glca.com>; Adam Kelly-Penso <adam.kellypenso@glca.com>; Tundra-GLC <Tundra-GLC@glca.com>
Subject: Tacora - DIP Facility Term Sheet

All,

As discussed earlier today, please find attached our executed DIP proposal, together with a blackline to the Consortium DIP Facility Term Sheet filed in connection with the replacement DIP motion.

We are happy to discuss.

Regards,
 Ben



Ben Muller

Associate

416.862.5923 | bmuller@osler.com

Osler, Hoskin & Harcourt LLP | osler.com



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Stikeman Elliott LLP Barristers & Solicitors

5300 Commerce Court West, 199 Bay Street, Toronto, ON M5L 1B9 Canada

This email is confidential and may contain privileged information. If you are not an intended recipient, please delete this email and notify us immediately. Any unauthorized use or disclosure is prohibited.

TAB D

This is Exhibit "D" referred to in the Affidavit of Ben Muller, affirmed at the City of Toronto, in the Province of Ontario, before me on April 23, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

Carla Breadon (LSO#74478C)

DIP FACILITY TERM SHEET

This term sheet dated as of April 15, 2024 (this “**Term Sheet**”) sets out the terms on which Javelin Global Commodities (SG) Pte Ltd.; Small Micro LLC; O’Brien-Staley Partners; Brigade Capital Management, L.P.; Millstreet Capital Management LLC; and MSD Partners, L.P. (collectively, the “**DIP Lenders**”) are prepared to provide debtor-in-possession financing to Tacora Resources Inc. (“**Tacora**”).

Recitals:

Tacora commenced proceedings under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”, and those proceedings, the “**CCAA Proceedings**”) pursuant to an initial Order granted by the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) on October 10, 2023 (the “**Initial Order**”). Pursuant to the Initial Order, among other things, the Court approved a debtor-in-possession financing agreement between Tacora as borrower and Cargill, Incorporated (“**Cargill**”) as lender (the “**Cargill DIP**”).

The DIP Lenders have agreed to provide debtor-in-possession financing to repay Tacora’s obligations under the Cargill DIP and to fund the remainder of the CCAA Proceedings. The DIP Lenders have agreed to provide the DIP Facility (as defined below) on substantially the same terms as the Cargill DIP to be used for the pendency of the CCAA Proceedings in accordance with the terms and conditions set out herein:

1. **BORROWER:** Tacora Resources Inc. (“**Borrower**”).
2. **DIP LENDERS:** O’Brien-Staley Partners
Brigade Capital Management, L.P.
Millstreet Capital Management LLC
MSD Partners, L.P.
Javelin Global Commodities (SG) Pte Ltd.
Small Micro LLC
3. **DEFINED TERMS:** Unless otherwise defined herein, capitalized words and phrases used in this Term Sheet have the meanings given thereto in Schedule “**A**”.
4. **DIP FACILITY ADVANCES:** A senior secured, superpriority, debtor-in-possession, interim, non-revolving credit facility (the “**DIP Facility**”) up to a maximum principal amount of \$200 million (as such amount may be reduced from time to time pursuant to the terms hereof, the “**Facility Amount**”), subject to the terms and conditions contained herein. The Facility Amount shall be allocated among the DIP Lenders as provided by Schedule “**B**”.

Subject to the below, the DIP Facility shall be made available to the Borrower by way of:

- (a) an initial advance (the “**Initial Advance**”) in a principal amount of \$160 million as of the date of the Initial Advance, to be deposited by the DIP Lenders into the Operating Account within one (1) Business Day of the issuance of the New DIP Approval Order;
- (b) if required as contemplated by the DIP Budget, an advance (the “**Second Advance**”) in a principal amount of up to \$20 million, to

be deposited by the DIP Lenders into the Operating Account upon seven (7) Business Days' notice from the Borrower;

- (c) if required as contemplated by the DIP Budget, an advance (the "**Third Advance**") in a principal amount of up to \$10 million, to be deposited by the DIP Lenders into the Operating Account upon seven (7) Business Days' notice from the Borrower; and
- (d) if required as contemplated by the DIP Budget, an advance (the "**Fourth Advance**", and together with the Second Advance and the Third Advance, the "**Subsequent Advances**") in a principal amount of up to \$10 million, to be deposited by the DIP Lenders into the Operating Account upon seven (7) Business Days' notice from the Borrower.

The funding of the Advances by the DIP Lenders is subject to: (i) the Advance Conditions being satisfied at the time of the Advance; and (ii) the Borrower delivering to the DIP Lenders an Advance confirmation certificate in the form of Schedule "C" (an "**Advance Confirmation Certificate**").

Unless otherwise agreed to by the DIP Lenders in writing, the DIP Lenders shall each fund the Advances on a *pro rata* basis.

The Advance Confirmation Certificate shall certify that (i) all representations and warranties of the Borrower contained in this Term Sheet remain true and correct in all material respects both before and after giving effect to the use of such proceeds, (ii) all of the covenants of the Borrower contained in this Term Sheet and all other terms and conditions contained in this Term Sheet to be complied with by the Borrower, not properly waived in writing by the DIP Lenders, have been fully complied with, and (iii) no Default or Event of Default then exists and is continuing or would result therefrom.

Each Advance Confirmation Certificate shall be deemed to be acceptable and shall be honoured by the DIP Lenders unless the Required DIP Lenders have provided to the Borrower and the Monitor an objection thereto in writing, providing reasons for the objection, by no later than 4:00 p.m. Eastern Time on the Business Day following the delivery of such Advance Confirmation Certificate. A copy of each Advance Confirmation Certificate shall be concurrently provided to DIP Lenders and the Monitor.

5. **EXISTING ARRANGEMENTS:**

[Reserved]

6. **PURPOSE AND PERMITTED PAYMENTS:**

The Borrower shall use a portion of the Initial Advance to repay all amounts owing to Cargill under the Cargill DIP.

The Borrower shall use all other proceeds of the Initial Advance and the Subsequent Advances solely for the following purposes and in the

following order, in each case in accordance with the DIP Budget:

- (a) to pay the reasonable and documented professional and advisory fees and expenses (including legal fees and expenses) of (i) the Borrower and (ii) the Monitor (collectively, the “**Borrower Restructuring Expenses**”);
- (b) to pay the reasonable and documented DIP Lenders’ Expenses;
- (c) to pay the interest, fees and other amounts owing to the DIP Lenders under this Term Sheet; and
- (d) to fund, in accordance with the DIP Budget, the Borrower’s funding requirements during the CCAA Proceedings, including, without limitation, in respect of the pursuit of a Restructuring Transaction and the working capital and other general corporate funding requirements of the Borrower during such period.

For greater certainty, the Borrower may not use the proceeds of the DIP Facility to pay any category of obligations that are not included in the DIP Budget without the prior written consent of the Required DIP Lenders and may not pay the professional or advisory fees or expenses of any other Person that are not provided for in the DIP Budget, except pursuant to the terms of a binding support agreement with such Person with respect to the Restructuring Transaction that is acceptable to the Required DIP Lenders, or as may otherwise be agreed to by the Required DIP Lenders and the Borrower (in consultation with the Monitor).

7. **INITIAL
ADVANCE
CONDITIONS:**

[Reserved]

8. **ADVANCE
CONDITIONS:**

The DIP Lenders’ agreement to make the Facility Amount available to the Borrower and to advance the Advances to the Borrower is subject to the satisfaction of the following conditions precedent (collectively, the “**Advance Conditions**”), each of which is for the benefit of the DIP Lenders and may be waived by the Required DIP Lenders in their sole discretion:

- (a) The Borrower shall have executed and delivered this Term Sheet.
- (b) The Court shall have issued an Order (the “**New DIP Approval Order**”) in substantially the form attached hereto as Schedule “**D**” and with such changes as are acceptable to the Borrower, the Monitor and the Required DIP Lenders, each acting reasonably, including as necessary to (i) authorize the Borrower to borrow up to the Facility Amount, and (ii) provide for a charge over the Borrower’s Collateral that shall have priority over all Liens in respect of the Borrower’s Collateral other than the Permitted Priority Liens (the “**DIP Lenders’ Charge**”).

- (c) The New DIP Approval Order shall not have been stayed, vacated or otherwise amended, restated or modified without the consent of the Required DIP Lenders, acting reasonably.
- (d) There shall be no Liens ranking in priority to the DIP Lenders' Charge over the Borrower's Collateral other than the Permitted Priority Liens.
- (e) No Default or Event of Default shall have occurred or will occur as a result of the requested Advance.

9. **COSTS AND EXPENSES:**

~~The Borrower shall reimburse to~~The DIP Lenders ~~for all~~ reasonable and documented out-of-pocket legal and financial advisory fees and expenses incurred (i) after the date of the New DIP Approval Order in connection with the DIP Lenders' participation in the CCAA Proceedings, and (ii) before or after the date of the New DIP Approval Order only in connection with the DIP Facility and the DIP Credit Documents (collectively, the "**DIP Lenders' Expenses**"). ~~The DIP Lenders' Expenses~~ shall form part of the DIP Obligations secured by the DIP Lenders' Charge.

~~All accrued DIP Lenders' Expenses incurred prior to the date of the New DIP Approval Order in connection with the DIP Facility shall be paid in full through deduction from the Initial Advance.~~

10. **DIP LENDERS' CHARGE:**

All DIP Obligations shall be secured by the DIP Lenders' Charge, in connection with which the Required DIP Lenders may, in their reasonable discretion, require the execution, filing or recording of any security agreements, pledge agreements, financing statements or other documents or instruments, in order to obtain, or further evidence, a Lien on such Collateral. For greater certainty, the execution, filing or recording of any security agreements, pledge agreements, financing statements or other documents or instruments shall not be an Advance Condition except and unless the Required DIP Lenders have provided the Borrower with seven (7) Business Days' notice that the execution, filing or recording of such security agreements, pledge agreements, financing statements or other documents or instruments is required.

11. **PERMITTED LIENS AND PRIORITY:**

All Collateral will be free and clear of all Liens, except for the Permitted Liens.

12. **REPAYMENT:**

The DIP Facility and the DIP Obligations shall be due and repayable in full on the earlier of: (i) the occurrence of any Event of Default which is continuing and has not been cured; (ii) the completion of a Restructuring Transaction; (iii) the conversion of the CCAA Proceedings into a proceeding under the *Bankruptcy and Insolvency Act* (Canada); (iv) the date on which the DIP Obligations are voluntarily prepaid in full and the DIP Facility is terminated and (v) October 31, 2024 (the earliest of such dates being the “**Maturity Date**”). Subject to Section 31, the Maturity Date may be extended from time to time at the request of the Borrower (in consultation with the Monitor) and with the prior written consent of the DIP Lenders for such period and on such terms and conditions as the DIP Lenders may agree in their sole discretion.

Without the consent of the Required DIP Lenders, acting in their sole discretion, no Court Order sanctioning a Plan shall discharge or otherwise affect in any way the DIP Obligations, other than after the permanent and indefeasible payment in cash to the DIP Lenders of all DIP Obligations on or before the date such Plan is implemented.

13. **DIP BUDGET AND VARIANCE REPORTING:**

Attached hereto as Schedule “E” is a copy of the agreed summary DIP Budget (excluding the supporting documentation provided to the DIP Lenders in connection therewith) as in effect on the date hereof (the “**Initial DIP Budget**”), which the DIP Lenders acknowledge and agree has been reviewed and approved by it, and is in form and substance satisfactory to the DIP Lenders. Such DIP Budget shall be the DIP Budget referenced in this Term Sheet unless and until such time as a revised DIP Budget has been approved by the DIP Lenders in accordance with this Section 13.

The Borrower may update and propose a revised DIP Budget to the DIP Lenders no more frequently than every two (2) weeks (unless otherwise consented to by the Required DIP Lenders), in each case to be delivered to the Monitor and the DIP Lenders and their legal counsel by no earlier than the Friday of the second week following the date of the delivery of the prior DIP Budget. Such proposed revised DIP Budget shall have been reviewed and approved by the Monitor. If the Required DIP Lenders determine that the proposed revised DIP Budget is not acceptable, they shall, within three (3) Business Days of receipt thereof, provide written notice to the Borrower and the Monitor stating that the proposed revised DIP Budget is not acceptable and setting out the reasons why such revised DIP Budget is not acceptable, and until the Borrower has delivered a revised DIP Budget acceptable to the Required DIP Lenders, the prior DIP Budget shall remain in effect. In the event that the Required DIP Lenders do not deliver to the Borrower written notice within three (3) Business Days after receipt by the DIP Lenders of a proposed revised DIP Budget that such proposed revised DIP Budget is not acceptable to it, such proposed revised DIP Budget shall automatically and without further action be deemed to have been accepted by the Required DIP Lenders and become the DIP Budget for the purposes hereof.

At any time, the latest DIP Budget accepted by the Required DIP Lenders

shall be the DIP Budget for the purpose of this Term Sheet.

On the last Business Day of every second week, the Borrower shall deliver to the Monitor and the DIP Lenders and their legal counsel a variance calculation (the “**Variance Report**”) setting forth actual disbursements for the preceding two weeks ending on the preceding Friday (each a “**Testing Period**”) and on a cumulative basis as against the then-current DIP Budget, and setting forth all the variances, on a line-item and aggregate basis in comparison to the amounts set forth in respect thereof for such Testing Period in the DIP Budget; each such Variance Report is to be promptly discussed with the DIP Lenders and their legal and financial advisors. Each Variance Report shall include reasonably detailed explanations for any material variances during the relevant Testing Period.

14. **EVIDENCE OF INDEBTEDNESS:** The DIP Lenders’ accounts and records constitute, in the absence of manifest error, *prima facie* evidence of the indebtedness of the Borrower to the DIP Lenders pursuant to the DIP Facility.
15. **PREPAYMENTS:** Provided the Monitor consents, the Borrower may prepay any DIP Obligations at any time prior to the Maturity Date without premium or penalty. Any amount repaid may not be reborrowed without the prior written consent of the Required DIP Lenders, which may be withheld in their sole discretion.

The Borrower may, at any time, negotiate and enter into another interim financing facility that provides for the prepayment of the DIP Obligations, and the concurrent termination of the DIP Facility and this Term Sheet.

16. **INTEREST RATE:** Interest shall be payable on (a) the principal amount of Advances and (b) overdue interest, fees and DIP Lenders’ Expenses outstanding from time to time at a rate equal to 10.0% *per annum*, payable monthly in arrears in cash on the last Business Day of each month, provided that, the Borrower shall have the right to defer the payment of accrued interest to the DIP Lenders in respect of any month and instead capitalize such interest by adding such interest to the principal amount of the DIP Obligations on the last Business Day of each applicable month.

All interest shall be computed daily on the basis of a calendar year of 365 or 366 days, as applicable, and, if not paid when due, shall compound monthly. Whenever any interest is calculated on the basis of a period of time other than a calendar year, the annual rate of interest to which each rate of interest determined pursuant to such calculation is equivalent for the purposes of the *Interest Act* (Canada) is such rate as so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days used in the basis for such determination.

For greater certainty, unless otherwise expressly provided in this Term Sheet, all payments to be made by the Borrower to the DIP Lenders under this Term Sheet on account of principal, interest, fees or otherwise shall be

made on a Pro Rata basis.

17. **EXIT FEE:** [Reserved]
18. **CURRENCY** Unless otherwise stated, all monetary denominations shall be in lawful currency of the United States and all payments made by the Borrower under this Term Sheet shall be in United States dollars. If any payment is received by the DIP Lenders hereunder in a currency other than United States dollars, or, if for the purposes of obtaining judgment in any court it is necessary to convert a sum due hereunder in any currency (the “**Original Currency**”) into another currency (the “**Other Currency**”), the parties hereby agree, to the fullest extent permitted by Applicable Law, that the rate of exchange used shall be the rate at which the DIP Lenders are able to purchase the Other Currency with the Original Currency after any costs of exchange on the Business Day preceding that on which such payment is made or final judgment is given.
19. **MANDATORY REPAYMENTS:** Unless otherwise consented to in writing by the Required DIP Lenders, the net cash proceeds of any sale, realization or disposition of, or with respect to, any of the Collateral (including obsolete, excess or worn-out Collateral) out of the ordinary course of business, or any insurance proceeds paid to the Borrower in respect of such Collateral, shall be paid to the DIP Lenders and applied to reduce the DIP Obligations and permanently reduce and cancel an equivalent portion of the Facility Amount in an amount equal to the net cash proceeds of such sale, realization, disposition or insurance (for greater certainty, net of transaction fees and applicable taxes in respect thereof). Any amount repaid may not be reborrowed.
20. **REPS AND WARRANTIES:** The Borrower represents and warrants to the DIP Lenders, upon which the DIP Lenders are relying in entering into this Term Sheet and the other DIP Credit Documents, that:
- (a) The Borrower has been duly formed and is validly existing under the law of its jurisdiction of incorporation;
 - (b) The transactions contemplated by this Term Sheet and the other DIP Credit Documents, upon the granting of the New DIP Approval Order:
 - (i) are within the powers of the Borrower;
 - (ii) have been duly executed and delivered by or on behalf of the Borrower;
 - (iii) constitute legal, valid and binding obligations of the Borrower, enforceable against the Borrower in accordance with their terms;
 - (iv) do not require any material authorization from, the consent or approval of, registration or filing with, or any other action by, any governmental authority or any third party; and

- (v) will not violate the charter documents, articles by-laws or other constating documents of the Borrower or any Applicable Law relating to the Borrower.
- (c) The Borrower owns its assets with good and marketable title thereto, subject only to Permitted Liens;
- (d) The business operations of the Borrower have been and will continue to be conducted in material compliance with all laws of each jurisdiction in which the business has been or is carried out;
- (e) The Borrower has obtained all material licences and permits required for the operation of its business, which licences and permits remain in full force and effect and no proceedings have been commenced or threatened to revoke or amend any of such licences or permits;
- (f) The Borrower maintains adequate insurance coverage, as is customary with companies in the same or similar business (except with respect to directors' and officers' insurance in respect of which no representation is made regarding adequacy of coverage) of such type, in such amounts and against such risks as is prudent for a business of its nature with financially sound and reputable insurers and that contain reasonable coverage and scope;
- (g) The Borrower has maintained and paid current its obligations for payroll, source deductions, harmonized, goods and services and retail sales tax, and is not in arrears of its statutory obligations to pay or remit any amount in respect of these obligations;
- (h) Other than as stayed pursuant to the Court Orders granted in these CCAA Proceedings, there is not now pending or, to the knowledge of any of the senior officers of the Borrower, threatened against the Borrower, nor has the Borrower received notice in respect of, any material claim, potential claim, litigation, action, suit, arbitration or other proceeding by or before any court, tribunal, governmental entity or regulatory body;
- (i) Except for those defaults which have been disclosed to the DIP Lenders in writing, all Material Contracts are in full force and effect and are valid, binding and enforceable in accordance with their terms and the Borrower does not have any knowledge of any default that has occurred and is continuing thereunder (other than those defaults arising as a result of or relating to the insolvency of the Borrower or any of its affiliates or the commencement of the CCAA Proceedings);
- (j) Except as disclosed to the DIP Lenders in writing by the Borrower, there are no agreements of any kind between the Borrower and any other third party or any holder of debt or Equity Securities of the Borrower with respect to any Restructuring Transaction, which

remain in force and effect as of the Filing Date;

- (k) No Default or Event of Default has occurred and is continuing; and
- (l) All written information furnished by or on behalf of the Borrower to the DIP Lenders or their advisors for the purposes of, or in connection with, this Term Sheet, the other DIP Credit Documents, or any other relevant document or any other transaction contemplated thereby, is true and accurate in all material respects on the date as of which such information is dated or certified, and not incomplete by omitting to state any material fact necessary to make such information not misleading at such time in light of then-current circumstances.

21. AFFIRMATIVE COVENANTS:

The Borrower agrees to do, or cause to be done, the following until the DIP Obligations are permanently and indefeasibly repaid in full:

- (a) (i) Allow representatives or advisors of the DIP Lenders reasonable access to the books, records, financial information and electronic data rooms of or maintained by the Borrower, and (ii) cause management, the financial advisor and/or legal counsel of the Borrower to cooperate with reasonable requests for information by the DIP Lenders and their legal and financial advisors in connection with matters reasonably related to the DIP Facility, the CCAA Proceedings, or compliance of the Borrower with its obligations pursuant to this Term Sheet, in each case subject to applicable privacy laws, solicitor-client privilege, and any disclosure restrictions contained in any Court Order or that, in the opinion of the Borrower (in consultation with the Monitor), each acting reasonably, are necessary to protect the Borrower's restructuring process;
- (b) Keep the DIP Lenders apprised on a timely basis of all material developments with respect to the business and affairs of the Borrower and the CCAA Proceedings, including all matters relating to its pursuit of a Restructuring Transaction, in each case subject to any disclosure restrictions contained in any Court Order or that, in the opinion of the Borrower (in consultation with the Monitor), each acting reasonably, are necessary to protect the Borrower's restructuring process;
- (c) Deliver to the DIP Lenders the reporting and other information from time to time reasonably requested by the Required DIP Lenders and as set out in this Term Sheet including, without limitation, the Variance Reports at the times set out herein;
- (d) Use the proceeds of the DIP Facility only in accordance with the restrictions set out in this Term Sheet and pursuant to the DIP Budget and Court Orders, subject to Permitted Variances;

- (e) Obtain the New DIP Approval Order by May 1, 2024, substantially in the form attached hereto and with such changes as are acceptable to the Borrower, the Monitor and the Required DIP Lenders, each acting reasonably;
- (f) Comply with the provisions of the New DIP Approval Order and all other Court Orders;
- (g) Preserve, renew and keep in full force its corporate existence;
- (h) Promptly notify the DIP Lenders of the occurrence of any Default or Event of Default;
- (i) Comply with Applicable Law in all material respects, except to the extent not required to do so pursuant to any Court Order;
- (j) Provide the DIP Lenders and their counsel draft copies of and the opportunity to comment on all motions, applications, proposed Court Orders and other materials or documents that the Borrower intends to file in the CCAA Proceedings at least two (2) Business Days prior to any such filing or, where it is not practically possible to do so within such time, as soon as possible prior to the date on which such motion, application, proposed Court Order or other materials or document is served on the service list in respect of the CCAA Proceeding;
- (k) Take all commercially reasonable actions necessary or available to defend the Court Orders from any appeal, reversal, modifications, amendment, stay or vacating not expressly consented to in writing in advance by the Required DIP Lenders relating to the DIP Facility or the DIP Lenders' Charge;
- (l) Promptly provide notice to the DIP Lenders and their counsel, and keep them otherwise apprised, of any material developments in respect of any Material Contract, subject to any disclosure restrictions contained in any Court Order or that, in the opinion of the Borrower (in consultation with the Monitor), each acting reasonably, are necessary to protect the Borrower's restructuring process;
- (m) Promptly provide notice to the DIP Lenders and their counsel, and keep them otherwise apprised, of any material notices, orders, decisions, letters, or other documents, materials, information or correspondence received from any regulatory authority having jurisdiction over the Borrower;
- (n) Provide the DIP Lenders and its advisors from time to time, on a confidential basis, with such information regarding the progress of the Borrower's pursuit of a Restructuring Transaction as may be reasonably requested by the Required DIP Lenders, subject to any disclosure restrictions contained in any Court Order, or that, in the

opinion of the Borrower (in consultation with the Monitor), each acting reasonably, are necessary to protect the Borrower's restructuring process;

- (o) Execute and deliver such loan and security documentation as may be reasonably requested by the Required DIP Lenders from time to time;
- (p) At all times maintain adequate insurance coverage of such kind and in such amounts and against such risks as is customary for the business of the Borrower with financially sound and reputable insurers in coverage and scope acceptable to the Required DIP Lenders, acting reasonably, and, if requested by the Required DIP Lenders, cause the DIP Lenders to be listed as the loss payees or additional insureds (as applicable) on such insurance policies. The DIP Budget shall permit funding sufficient to pay the premiums in respect of such insurance, including director and officer tail insurance at the discretion of and on terms acceptable to the Borrower;
- (q) Promptly following receipt of summary invoices, pay all DIP Lenders' Expenses no less frequently than every two weeks, provided that the DIP Lenders shall provide reasonable estimates of such expenses for purposes of the DIP Budget;
- (r) [reserved];
- (s) Promptly upon becoming aware thereof, provide details of any pending, or threatened claims, potential claims, litigation, actions, suits, arbitrations, other proceedings or notices received in respect of same, against the Borrower by or before any court, tribunal, Governmental Authority or regulatory body, which would be reasonably likely to result, individually or in the aggregate, in a judgment in excess of \$100,000;
- (t) Comply with the DIP Budget subject to the Permitted Variance; and
- (u) Act diligently and in good faith in the pursuit of the CCAA Proceedings.

22. **NEGATIVE COVENANTS:**

The Borrower covenants and agrees not to do, or cause not to be done, the following, until the DIP Obligations are permanently and indefeasibly repaid in full, other than with the prior written consent of the Required DIP Lenders or with the express consent required as outlined below:

- (a) Transfer, lease or otherwise dispose of all or any material part of its property, assets or undertaking outside of the ordinary course of business, except for the disposition of obsolete, redundant or ancillary assets in accordance with the amended and restated initial Order dated October 30, 2023 (the "**Amended and Restated Initial**

Order”) or another Court Order;

- (b) Make any payment, including, without limitation, any payment of principal, interest or fees, in respect of any obligation of the Borrower arising or relating to the period prior to the Filing Date, other than in accordance with the Court Orders and the DIP Budget;
- (c) Create or permit to exist any indebtedness other than (i) the indebtedness existing as of the Filing Date, (ii) the DIP Obligations, and (iii) any obligation expressly permitted to be incurred pursuant to any Court Order and (iv) post-filing trade payables or other unsecured obligations incurred in the ordinary course of business on or following the Filing Date in accordance with the DIP Budget and the Amended and Restated Initial Order;
- (d) Make (i) any distribution, dividend, return of capital or other distribution in respect of Equity Securities (in cash, securities or other property or otherwise); or (ii) a retirement, redemption, purchase or repayment or other acquisition of Equity Securities or indebtedness (including any payment of principal, interest, fees or any other payments thereon);
- (e) Issue any Equity Securities nor create any new class of Equity Securities or amend any terms of its existing Equity Securities, other than in connection with a Restructuring Transaction approved pursuant to a Court Order;
- (f) Consent to or take any steps in furtherance of the exercise of any conversion right under any Equity Securities issued by it;
- (g) Except as authorized by a Court Order, increase compensation or severance entitlements or other benefits payable to directors, senior officers or senior management, or pay any bonuses whatsoever, other than in accordance with the DIP Budget;
- (h) Make any investments or acquisitions of any kind, direct or indirect, in any business or otherwise other than in accordance with the DIP Budget;
- (i) Create or permit to exist any Liens on any of its properties or assets other than the Permitted Liens;
- (j) Make any payments (including payments to affiliates) or expenditures (including capital expenditures), other than in accordance with the DIP Budget, subject to the Permitted Variance and provided that the Borrower shall in no event pay any professional or advisory fees (including any legal fees or expenses) of any other Person (other than the Borrower, the DIP Lenders and the Monitor) that are not provided for in the DIP Budget, except pursuant to the terms of a binding support agreement with such Person with respect to the Restructuring Transaction that is

acceptable to the DIP Lenders, or as may otherwise be agreed to by the DIP Lenders and the Borrower (in consultation with the Monitor);

- (k) [reserved];
- (l) Amalgamate, consolidate with or merge into or sell all or substantially all of its assets to another entity, or change its corporate or capital structure (including its organizational documents) except as may be approved by Court Order or undertaken pursuant to a Court-approved Restructuring Transaction;
- (m) Make any changes to composition (including addition, removal or replacement of directors) of the board of directors of the Borrower (other than a resignation by a director), other than pursuant to a Court Order;
- (n) Seek, obtain, support, make or permit to be made any Court Order or any change, amendment or modification to any Court Order that would materially affect the rights or protections of the DIP Lenders under or in connection with the DIP Facility or the DIP Lenders' Charge, except with the prior written consent of the Required DIP Lenders, in their sole discretion;
- (o) Enter into any settlement agreement or agree to any settlement arrangements with any Governmental Authority or regulatory authority or in connection with any litigation, arbitration, other investigations, proceedings or disputes or other similar proceedings which are threatened or pending against it;
- (p) Without the approval of the Court, cease to carry on its business or activities or any material component thereof as currently being conducted or modify or alter in any material manner the nature and type of its operations or business;
- (q) Seek, or consent to the appointment of, a receiver or trustee in bankruptcy or any similar official in any jurisdiction; or
- (r) Seek or consent to the lifting of the stay of proceedings in favour of the Borrower.

23. EVENTS OF DEFAULT:

The occurrence of any one or more of the following events shall constitute an event of default (each an “**Event of Default**”) under this Term Sheet:

- (a) Failure of the Borrower to pay: (i) principal, interest or other amounts when due pursuant to this Term Sheet or any other DIP Credit Documents; or (ii) the DIP Lenders' Expenses within ten (10) Business Days of being invoiced therefor, and such failure, in the case of items (i) and (ii) remains unremedied for more than

three (3) Business Days;

- (b) Failure of the Borrower to perform or comply with any term, condition, covenant or obligation pursuant to this Term Sheet, and such failure remains unremedied for more than three (3) Business Days, *provided that*, where another provision in this Section 23 expressly provides for a shorter or no cure period in respect of a particular Event of Default, such other provision shall apply;
- (c) Any representation or warranty by the Borrower made or deemed to be made in this Term Sheet or any other DIP Credit Document is or proves to be incorrect or misleading in any material respect as of the date made;
- (d) A default (other than a default resulting from the insolvency of the Borrower or the commencement of the CCAA Proceedings by the Borrower including, for greater certainty, as a result of failure to pay pre-filing amounts as a result of the commencement of the CCAA Proceedings) under any Material Contract (other than any contract between the Borrower and Cargill or the Borrower and CITPL) or any material amendment of any Material Contract unless agreed to by the Required DIP Lenders in writing;
- (e) [reserved];
- (f) Issuance of any Court Order (i) dismissing the CCAA Proceedings or lifting the stay of proceedings therein to permit the enforcement of any security against the Borrower or their Collateral, the appointment of a receiver, interim receiver or similar official, an assignment in bankruptcy, or the making of a bankruptcy order or receiving order against or in respect of the Borrower, in each case which order is not stayed pending appeal thereof; (ii) granting any other Lien in respect of the Borrower's Collateral that is in priority to or *pari passu* with the DIP Lenders' Charge other than a Permitted Priority Lien, (iii) modifying this Term Sheet or any other DIP Credit Document without the prior written consent of the Required DIP Lenders in their sole discretion; or (iv) staying, reversing, vacating or otherwise modifying any Court Order in respect of the DIP Facility or the DIP Lenders' Charge without the prior written consent of the Required DIP Lenders in their sole discretion;
- (g) Unless consented to in writing by the Required DIP Lenders, the expiry without further extension of the stay of proceedings granted by Court Order in these CCAA Proceedings;
- (h) (i) a Variance Report is not delivered within two (2) Business Days of the day on which such Variance Report is required to be delivered pursuant to this Term Sheet, or (ii) there shall exist a cumulative negative variance in excess of the Permitted Variance for the period from the date of the New DIP Approval Order to the

last day of such Testing Period, measured relative to the Initial DIP Budget or such revised DIP Budget as has been approved by the Required DIP Lenders in accordance with Section 13;

- (i) The denial or repudiation by the Borrower of the legality, validity, binding nature or enforceability of this Term Sheet or any other DIP Credit Documents or the DIP Obligations; or
- (j) Except as stayed by order of the Court or any other court with jurisdiction over the matter, the entry of one or more final judgments, writs of execution, garnishment or attachment representing a claim in excess of \$500,000 in the aggregate, against the Borrower or its Collateral that is not released, bonded, satisfied, discharged, vacated, stayed or accepted for payment by an insurer within 30 days after their entry, commencement or levy.

24. REMEDIES:

Upon the occurrence of an Event of Default, and subject to the Court Orders, the Required DIP Lenders may, in their sole discretion, elect to terminate the commitments hereunder and declare the DIP Obligations to be immediately due and payable and refuse to permit further Advances. In addition, upon the occurrence of an Event of Default, the Required DIP Lenders may, with leave of the Court on four (4) Business Days' notice to the Borrower and the Monitor, and in accordance with the Court Orders:

- (a) apply to the Court for the appointment of a receiver, interim receiver or receiver and manager over the Borrower or all or certain of its Collateral, or for the appointment of a trustee in bankruptcy in respect of the Borrower;
- (b) set-off or combine any amounts then owing by the DIP Lenders to the Borrower against the DIP Obligations; and
- (c) exercise against the Borrower the powers and rights of a secured party pursuant to the *Personal Property Security Act* (Ontario).

25. INDEMNITY AND RELEASE:

The Borrower agrees to indemnify and hold harmless the DIP Lenders and their affiliates and their respective directors, officers, employees, agents, counsel and advisors (all such persons and entities being referred to hereafter as "**Indemnified Persons**") from and against any and all actions, suits, proceedings, claims, losses, damages, liabilities or expenses of any kind or nature whatsoever (excluding indirect or consequential damages and claims for lost profits) which may be incurred by or asserted against any Indemnified Person (collectively, "**Claims**") as a result of or arising out of or in any way related to the DIP Facility or this Term Sheet and, upon demand, to pay and reimburse any Indemnified Person for any reasonable legal or other out-of-pocket expenses incurred in connection with investigating, defending or preparing to defend any such action, suit, proceeding or claim; provided, however, the Borrower shall not be obligated to indemnify pursuant to this paragraph any Indemnified Person against any loss, claim, damage, expense or liability (x) to the extent it resulted from the gross negligence, wilful misconduct or bad faith of any

Indemnified Person as finally determined by a court of competent jurisdiction, or (y) to the extent arising from any dispute solely among Indemnified Persons other than any Claims arising out of any act or omission on the part of the Borrower. The Borrower shall not be responsible or liable to any Indemnified Person or any other person for consequential or punitive damages.

Notwithstanding anything to the contrary herein, the indemnities granted under this Term Sheet shall survive any termination of the DIP Facility.

26. **TERMINATION BY BORROWER:** The Borrower shall be entitled to terminate this Term Sheet upon notice to the DIP Lenders: (i) in the event that the DIP Lenders have failed to fund the Facility Amount when required to do so under this Term Sheet, or (ii) at any time following the indefeasible payment in full in immediately available funds of all of the outstanding DIP Obligations. Effective immediately upon such termination, all obligations of the Borrower and the DIP Lenders under this Term Sheet shall cease, except for those obligations that explicitly survive termination. For greater certainty, all outstanding DIP Obligations in respect of all Advances funded prior to such termination shall become immediately due and payable concurrently with such termination and the DIP Lenders shall not be required to make any further extensions of credit under this Term Sheet.
27. **HEDGING:** The parties agree that upon entry into this Term Sheet, the Borrower shall be authorized to enter into one or more hedging arrangements from time to time, as may be mutually agreed by the Borrower and the DIP Lenders, and approved by the Monitor.
28. **TAXES:** All payments by the Borrower to the DIP Lenders pursuant to this Term Sheet or otherwise on account of the DIP Obligations, including any payments required to be made from and after the exercise of any remedies available to the DIP Lenders upon an Event of Default, shall be made free and clear of, and without reduction for or on account of, any present or future taxes, levies, imposts, duties, charges, fees, deductions or withholdings of any kind or nature whatsoever or any interest or penalties payable with respect thereto now or in the future imposed, levied, collected, withheld or assessed by any country or any political subdivision of any country (collectively “**Taxes**”); provided, however, that if any Taxes are required by Applicable Law to be withheld (“**Withholding Taxes**”) from any amount payable to the DIP Lenders under this Term Sheet or otherwise on account of the DIP Obligations, the amount so payable to the DIP Lenders shall be increased to the extent necessary to yield to the DIP Lenders on a net basis after payment of all Withholding Taxes, the amount payable under this Term Sheet at the rate or in the amount specified herein and the Borrower shall provide evidence satisfactory to the DIP Lenders that the Withholding Taxes have been so withheld and remitted.

If the Borrower pays an additional amount to the DIP Lenders to account for any Withholding Taxes, the DIP Lenders shall reasonably cooperate with the Borrower to obtain a refund of the amounts so withheld, including filing income tax returns in applicable jurisdictions, claiming a refund of

such Withholding Tax and providing evidence of entitlement to the benefits of any applicable tax treaty. The amount of any refund so received, and interest paid by the tax authority with respect to any refund, shall be paid over by the DIP Lenders to the Borrower promptly. If reasonably requested by the Borrower, the DIP Lenders shall apply to the relevant taxing authority to obtain a waiver from such withholding requirement, and the DIP Lenders shall cooperate with the Borrower and assist the Borrower to minimize the amount of Withholding Tax required, in each case at the Borrower's expense.

29. **STRATEGIC
PROCESS:**

[Reserved]

30. **ASSIGNMENT:**

The DIP Lenders may assign their rights and obligations under the DIP Facility and the DIP Credit Documents, in whole or in part, to any Person acceptable to the DIP Lenders with the prior written consent of (i) prior to an Event of Default, the Borrower, such consent not to be unreasonably withheld; and (ii) the Monitor based solely on the Monitor being satisfied, in its reasonable discretion, that the proposed assignee has the financial capacity to act as a DIP Lender. Notwithstanding the foregoing, the DIP Lenders shall be entitled to assign their rights and obligations hereunder to an affiliate without the consent of any other party.

Neither this Term Sheet nor any right and obligation hereunder or in respect of the DIP Facility may be assigned by the Borrower.

31. **AMENDMENTS,
WAIVERS, ETC.**

No waiver or delay on the part of the DIP Lenders in exercising any right or privilege hereunder will operate as a waiver hereof or thereof unless made in writing and delivered in accordance with the terms of this Term Sheet. Unless otherwise expressly provided in this Term Sheet, any waiver, amendment or other modification to this Term Sheet shall require the written consent of the Required DIP Lenders; provided that, notwithstanding the foregoing, solely with the consent of each DIP Lender directly and adversely affected thereby (but without the necessity of obtaining the consent of the Required DIP Lenders), any such agreement may:

- (a) increase the DIP Financing Commitment of such DIP Lender; it being understood that no amendment, modification or waiver of, or consent to departure from, any condition precedent, representation, warranty, covenant, Default, Event of Default, mandatory prepayment or mandatory reduction of the DIP Financing Commitments shall constitute an increase of any DIP Financing Commitment of such DIP Lender;
- (b) reduce or forgive the principal amount of any Advances (it being understood that a waiver of any Default, Event of Default, mandatory prepayment or mandatory reduction of the DIP Financing Commitments shall not constitute a reduction or forgiveness in principal);

- (c) extend the scheduled Maturity Date (it being understood that a waiver of any mandatory prepayment or mandatory reduction of the DIP Financing Commitments shall not constitute an extension of the Maturity Date);
- (d) reduce the interest rate provided for in Section 16 (other than to waive any Default or Event of Default or any obligations of the Borrower to pay interest at the default rate of interest in accordance with Section 16 of this Agreement) or the amount of any fees owed to such DIP Lender;
- (e) waive, amend or modify the provisions of Section 16 (with respect to Pro Rata allocation of all payments among DIP Lenders) of this Agreement in a manner that would by its terms alter the Pro Rata sharing of payments required thereby;
- (f) waive, amend or modify the definition of “Pro Rata”;
- (g) waive, amend or modify the definition of “Required DIP Lenders”,
and
- (h) waive, amend or modify the provisions of this Section 31.

Notwithstanding anything else in this Term Sheet, and for greater certainty, this Term Sheet may not be waived, amended or modified to reduce the principal amount owed to any DIP Lender under the DIP Facility or increase the amount of any DIP Lender’s commitment under the DIP Facility, in each case, without the prior written consent of such DIP Lender.

Any waiver, amendment or modification to the terms of this Term Sheet shall be made in writing and signed by the Borrower and the requisite DIP Lenders.

To the extent any fees or other compensation becomes payable to the DIP Lenders in connection with any amendment to this Term Sheet, all DIP Lenders shall have the opportunity to receive their Pro Rata portion of any such fees or other compensation. To the extent any further financing above the Facility Amount is requested from any of the DIP Lenders by the Borrower, its affiliates or their advisors, the DIP Lenders shall have the opportunity to participate on a Pro Rata basis.

32. NOTICE:

Any notice, request or other communication hereunder to any of the parties shall be in writing and be well and sufficiently given if delivered personally or sent by electronic mail to the attention of the person as set forth below:

(a) In the case of the Borrower:

Tacora Resources Inc.
102 NE 3rd Street Suite 120
Grand Rapids, Minnesota

55744 USA

Attention: Joe Broking & Heng Vuong
 Email: joe.broking@tacoraresources.com;
heng.vuong@tacoraresources.com

With a copy to:

Stikeman Elliott LLP
 5300 Commerce Court West, 199 Bay St.
 Toronto, ON M5L 1B9

Attention: Ashley Taylor & Lee Nicholson
 Email: ataylor@stikeman.com; leenicholson@stikeman.com

and

Greenhill & Co., LLC
 1271 6th Ave, New York,
 NY 10020, USA

Attention : Chetan Bhandari, Michael Nessim & Usman Masood
 Email : chetan.bhandari@greenhill.com; michael.nessim@greenhill.com;
usman.masood@greenhill.com

And with a copy to the Monitor:

FTI Consulting Canada Inc.
 Toronto-Dominion Centre, 79 Wellington St W Suite 2010, Toronto, ON
 M5K 1G8

Attention: Paul Bishop & Jodi Porepa
 Email: paul.bishop@fticonsulting.com; jodi.porepa@fticonsulting.com

And with a copy to the Monitor's Counsel:

Cassels Brock & Blackwell LLP
 Bay Adelaide Centre – North Tower,
 Suite 3200, Toronto, ON M5H 0B4

Attention: Ryan Jacobs & Jane Dietrich
 Email: rjacobs@cassels.com; jdietrich@cassels.com.

(b) In the case of the DIP Lenders:

c/o
 GLC Advisors & Co., LLC
 600 Lexington Ave., 9th Floor
 New York, NY 10022 USA

Attention: Michael Sellinger, Michael Kizer & Adam Kelly-Penso
 Email: michael.sellinger@glca.com; michael.kizer@glca.com;

adam.kellypenso@glca.com

With a copy to:

Osler, Hoskin & Harcourt LLP
First Canadian Place
100 King St. W Suite 6200
M5X 1B8

Attention: Marc Wasserman, Michael De Lellis & Justin Sherman
mwasserman@osler.com; mdelellis@osler.com; jsherman@osler.com

Any such notice shall be deemed to be given and received, when received, unless received after 5:00 ET or on a day other than a Business Day, in which case the notice shall be deemed to be received the next Business Day.

33. **GOVERNING LAW AND JURISDICTION:** This Term Sheet shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein.

[signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Term Sheet to be executed by their duly authorized representatives as of the date first written above.

TACORA RESOURCES INC., as Borrower

By: _____
Name:
Title:

**JAVELIN GLOBAL COMMODITIES (SG)
PTE LTD.**

By: _____
Name:
Title:

SMALL MICRO LLC

By: _____
Name:
Title:

**O'BRIEN-STALEY PARTNERS (on behalf of
OSP Value Fund III, LP and OSP Value Fund
IV, LP)**

By: _____
Name:
Title:

BRIGADE CAPITAL MANAGEMENT, L.P.
as Investment Manager on Behalf of its Various
Funds and Accounts

By: _____
Name:
Title:

MSD PARTNERS, L.P.

By: _____
Name:
Title:

**MILLSTREET CAPITAL MANAGEMENT
LLC, AS INVESTMENT MANAGER ON
BEHALF OF MULTIPLE NOTEHOLDERS**

By: _____
Name:
Title:

**SCHEDULE “A”
DEFINED TERMS**

“**Administration Charge**” has the meaning provided in the Amended and Restated Initial Order.

“**Advance**” means an amount of the DIP Facility advanced to the Borrower pursuant to the terms hereof from time to time, and for greater certainty includes the Initial Advance and the Subsequent Advances.

“**Advance Conditions**” has the meaning given thereto in Section 8.

“**Advance Confirmation Certificate**” has the meaning given thereto in Section 4.

“**Amended and Restated Initial Order**” has the meaning given thereto in Section 22.

“**Applicable Law**” means, in respect of any Person, property, transaction or event, all applicable laws, statutes, rules, by-laws and regulations and all applicable official directives, orders, judgments and decrees of any Governmental Body having the force of law.

“**Borrower**” has the meaning given thereto in Section 1.

“**Borrower Restructuring Expenses**” has the meaning given thereto in Section 6.

“**Business Day**” means each day other than a Saturday or Sunday or a statutory or civic holiday that banks are open for business in Canada and the United States of America.

“**Cargill**” has the meaning given thereto in the recitals.

“**Cargill DIP**” has the meaning given thereto in the recitals.

“**CCAA**” has the meaning given thereto in the recitals.

“**CCAA Proceedings**” has the meaning given thereto in the recitals.

“**CITPL**” means Cargill International Trading PTE Ltd., and its successors and assigns.

“**Claims**” has the meaning given thereto in Section 25.

“**Collateral**” means, in respect of a Person, all current or future assets, businesses, undertakings and properties of such Person, including all proceeds thereof.

“**Court**” has the meaning given thereto in the recitals.

“**Court Order**” means any order of the Court in the CCAA Proceedings.

“**Default**” means an event or circumstance which, after the giving of notice or the passage of time, or both, will result in an Event of Default.

“**DIP Budget**” means the weekly financial projections prepared by the Borrower covering the period to and including the week ended July 21, 2024, on a weekly basis, which shall be in form and substance acceptable to the DIP Lenders, acting reasonably (as to scope, detail and content), which financial projections may be amended from time to time in accordance with Section 13. For greater certainty, for

purposes of this Term Sheet, the DIP Budget shall include all supporting documentation provided in respect thereof to the DIP Lenders.

“**DIP Credit Documents**” means this Term Sheet and all other loan and security documents executed by the Borrower in connection with this Term Sheet from time to time.

“**DIP Facility**” has the meaning given thereto in Section 4.

“**DIP Financing Commitment**” means, with respect to each of the respective DIP Lenders, the amount indicated in Schedule “B” hereto, the amount of which may not be amended for a specific DIP Lender, without the prior written consent of that DIP Lender.

“**DIP Obligations**” means (i) all Advances made under the DIP Facility, (ii) all other principal, interest, fees due hereunder and (iii) DIP Lenders’ Expenses, in each case to the extent incurred or arising after the date of the New DIP Approval Order.

“**DIP Lenders’ Expenses**” has the meaning given thereto in Section 9.

“**DIP Lenders**” has the meaning given thereto in the recitals.

“**DIP Lenders’ Charge**” has the meaning given thereto in Section 8.

“**Directors’ Charge**” means the Court-ordered priority charge over the Borrower’s Collateral granted by the Court pursuant to the Amended and Restated Initial Order.

“**Fourth Advance**” has the meaning given thereto in Section 4.

“**Equity Securities**” means, with respect to any Person, any and all shares, interests, participations, rights in, or other equivalents (however designated and whether voting and nonvoting) of, such Person’s capital, whether outstanding on the date hereof or issued after the date hereof, including any interest in a partnership, limited partnership or other similar Person and any beneficial interest in a trust, and any and all rights, warrants, debt securities, options or other rights exchangeable for or convertible into any of the foregoing.

“**Event of Default**” has the meaning given thereto in Section 23.

“**Facility Amount**” has the meaning given thereto in Section 4.

“**Filing Date**” means the date on which the Initial Order is granted by the Court in the CCAA Proceedings.

“**Governmental Authority**” means any federal, provincial, state, municipal, local or other government, governmental or public department, commission, board, bureau, agency or instrumentality, domestic or foreign and any subdivision, agent, commission, board or authority of any of the foregoing.

“**Indemnified Persons**” has the meaning given thereto in Section 25.

“**Initial Advance**” has the meaning given thereto in Section 4.

“**Initial DIP Budget**” has the meaning given thereto in Section 13.

“**Initial Order**” has the meaning given thereto in the recitals.

“**KERP**” means the key employee retention program approved by this Court pursuant to the Amended and Restated Initial Order.

“**KERP Charge**” means the charge granted by the Court to secure the KERP pursuant to the Amended and Restated Initial Order.

“**Liens**” means all liens, hypothecs, charges, mortgages, trusts (including deemed, statutory and constructive trusts), encumbrances, security interests, and statutory preferences of every kind and nature whatsoever.

“**Material Contract**” means any contract, license or agreement: (i) to which the Borrower is a party or is bound; (ii) which is material to, or necessary in, the operation of the business of such Borrower; and (iii) which such Borrower cannot promptly replace by an alternative and comparable contract with comparable commercial terms.

“**Maturity Date**” has the meaning given thereto in Section 12.

“**Monitor**” means FTI Consulting Canada Inc.

“**New DIP Approval Order**” has the meaning given thereto in Section 8.

“**Operating Account**” means a bank account of the Borrower designated by the Borrower to receive Advances.

“**Original Currency**” has the meaning given thereto in Section 18.

“**Other Currency**” has the meaning given thereto in Section 18.

“**Permitted Liens**” means (i) the Permitted Priority Liens; (ii) the DIP Lenders’ Charge; (iii) any charges created under the Initial Order or other Court Order subsequent in priority to the DIP Lenders’ Charge; (iv) Liens existing prior to the Filing Date; and (v) inchoate statutory Liens arising after the Filing Date in respect of any accounts payable arising after the Filing Date in the ordinary course of business.

“**Permitted Priority Liens**” means (i) the Administration Charge, (ii) the Directors’ Charge, (iii) the KERP Charge (if applicable), (iv) the Transaction Fee Charge, (v) any Lien in respect of amounts payable by the Borrower for wages, vacation pay, employee deductions, sales tax, excise tax, tax payable pursuant to Part IX of the *Excise Tax Act* (Canada) (net of input credits), income tax and workers compensation claims, in the case of each of the items listed in this clause (v), solely to the extent such amounts are given priority by Applicable Law and only to the extent that the priority of such amounts has not been subordinated to the DIP Lenders’ Charge granted by the Court and (vi) such other Liens existing as of the date of the New DIP Approval Order that have not been subordinated to the DIP Lenders’ Charge granted by the Court.

“**Permitted Variance**” means a variance of not more than 15% relative to the aggregate disbursements (excluding the DIP Lenders’ Expenses) on a cumulative basis since the beginning of the period covered by the applicable DIP Budget.

“**Person**” means an individual, partnership, corporation, business trust, joint stock company, limited liability company, trust, unincorporated association, joint venture, Governmental Authority or other entity of whatever nature.

“**Plan**” means any plan of compromise or arrangement pursuant to the CCAA in respect of the Borrower.

“**Pro Rata**” means, in respect of any DIP Lender at any time, the ratio of the DIP Obligations owing to such DIP Lender at such time to the aggregate DIP Obligations owing to all DIP Lenders.

“**Required DIP Lenders**” means, at any time, DIP Lenders holding at least 60% of the aggregate DIP Financing Commitments held by DIP Lenders.

“**Restructuring Transaction**” means any restructuring, financing, refinancing, recapitalization, sale, liquidation, workout, Plan or other material transaction of, or in respect of, the Borrower or all or substantially all of their business, assets or obligations.

“**Second Advance**” has the meaning given thereto in Section 4.

“**Subsequent Advances**” has the meaning given thereto in Section 4.

“**Tacora**” has the meaning given in the recitals.

“**Taxes**” has the meaning given thereto in Section 28.

“**Third Advance**” has the meaning given thereto in Section 4.

“**Transaction Fee Charge**” means the charge in favour of Greenhill & Co. Canada Ltd. approved by the Court pursuant to the Amended and Restated Initial Order.

“**Term Sheet**” has the meaning given thereto in the recitals.

“**Testing Period**” has the meaning given thereto in Section 13.

“**Variance Report**” has the meaning given thereto in Section 13.

“**Withholding Taxes**” has the meaning given thereto in Section 28.

SCHEDULE "B"
DIP FINANCING COMMITMENT

The allocations below assume maximum amount of the DIP Facility is funded. Each Advance shall be funded *pro rata* based on the allocations below by the DIP Lenders.

<u>DIP Lender</u>	<u>Total DIP Financing Commitment (\$)</u>
Javelin Global Commodities (SG) Pte Ltd.	
Small Micro LLC	
O'Brien-Staley Partners	
Brigade Capital Management, L.P.	
Millstreet Capital Management LLC	
MSD Partners, L.P.	

**SCHEDULE “C”
FORM OF ADVANCE CONFIRMATION CERTIFICATE**

TO: GLC Advisors Co., on behalf of the DIP Lenders

DATE: [●]

Reference is made to that certain DIP Facility Term Sheet between Tacora Resources Inc., as Borrower, and the DIP Lenders as lenders dated April 15, 2024 (the “**Term Sheet**”). Capitalized terms used herein and not otherwise defined have the meanings given to them in the Term Sheet.

The Borrower hereby gives irrevocable notice pursuant to the terms of the Term Sheet for **[the Initial Advance / the Subsequent Advances]** (the “**Requested Advance**”) as follows:

The date of the Requested Advance is: _____

The requested amount of the Requested Advance is: \$ _____

The Requested Advance shall be deposited into the Operating Account on [●].

The DIP Lenders are hereby irrevocably instructed and directed to fund the Requested Advance in accordance with the wire instructions set out in Schedule A.

The Borrower hereby certifies:

- (i) that all representations and warranties of the Borrower contained in the Term Sheet remain true and correct in all material respects both before and after giving effect to the use of the Requested Advance;
- (ii) that all representations and warranties of the Borrower contained in the Term Sheet remain true and correct in all material respects both before and after giving effect to the use of the Requested Advance;
- (iii) that no Event of Default exists and is continuing or would result from the Requested Advance, and
- (iv) that the use of proceeds of the Requested Advance will comply with the DIP Budget (subject to the Permitted Variance).

TACORA RESOURCES INC., as Borrower

Per: _____

Name:

Title:

SCHEDULE "D"
FORM OF NEW DIP APPROVAL ORDER

See attached.

SCHEDULE "E"
DIP BUDGET

See attached.

T A B L E

This is Exhibit "E" referred to in the Affidavit of Ben Muller, affirmed at the City of Toronto, in the Province of Ontario, before me on April 23, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

Carla Breadon (LSO#74478C)

Muller, Ben

From: Muller, Ben
Sent: Thursday, April 18, 2024 8:04 PM
To: Ashley Taylor; leenicholson@stikeman.com; Natasha Rambaran; PYang@stikeman.com; Michael Nessim; Chetan Bhandari; Usman Masood; Charles Geizhals; Bishop, Paul; Jodi.Porepa@fticonsulting.com; RJacobs@cassels.com; JDietrich@cassels.com; Merskey, Alan
Cc: Wasserman, Marc; De Lellis, Michael; Dacks, Jeremy; Tundra-Osler; Michael Kizer; Michael Sellinger; Adam Kelly-Penso; Tundra-GLC
Subject: Tacora - Revised DIP Facility Term Sheet
Attachments: DIP Facility Term Sheet - Cargill Replacement - 18-APR-2024.doc; [CPO] Incremental Blackline.pdf; [CPO] Blackline to SE Comments.pdf; [CPO] Incremental Blackline.pdf

All,

Please find attached our revised DIP proposal, together with an incremental blackline to the last version of the DIP proposal that we delivered to you and a blackline to the markup of the DIP proposal that we received back from you. The only changes that were made to the last version of the DIP proposal that we delivered are (i) to provide the Company with the ability to PIK interest, and (ii) to clarify in Schedule "B" the quantum of each DIP Lender's respective DIP Financing Commitment.

We are happy to discuss.

Regards,
 Ben

OSLER

Ben Muller
 Associate
 416.862.5923 | bmuller@osler.com
 Osler, Hoskin & Harcourt LLP | osler.com

From: Lee Nicholson <leenicholson@stikeman.com>
Sent: Tuesday, April 16, 2024 8:53 PM
To: Muller, Ben <bmuller@osler.com>; Ashley Taylor <ATAYLOR@stikeman.com>
Cc: Wasserman, Marc <MWasserman@osler.com>; De Lellis, Michael <MDeLellis@osler.com>; Ryan Jacobs - Cassels (rjacobs@cassels.com) <rjacobs@cassels.com>; Dietrich, Jane <jdietrich@cassels.com>; Philip Yang <PYang@stikeman.com>; Natasha Rambaran <NRambaran@stikeman.com>
Subject: RE: Tacora - DIP Facility Term Sheet

Osler team – please find attached a mark up with two commercial points that we ask you to consider, being:

1. Providing the Company with the ability to PIK interest
2. Accruing fees as DIP obligations instead of being paid in cash

Additionally from our earlier discussions, we understood fees incurred prior to the DIP were not required to be paid and accordingly, we have also made that change.

The attached remains subject to ongoing review / comment by the Company and the Monitor.

Lee Nicholson

Direct: +1 416 869 5604
 Mobile: +1 647 821 1931
 Email: leenicholson@stikeman.com

If you do not wish to receive our email marketing messages, please **unsubscribe**.

From: Muller, Ben

Sent: Monday, April 15, 2024 4:07 PM

To: Ashley Taylor <ATAYLOR@stikeman.com>; leenicholson@stikeman.com; Michael Nessim <michael.nessim@greenhill.com>; Chetan Bhandari <chetan.bhandari@greenhill.com>; Usman Masood <usman.masood@greenhill.com>; Charles Geizhals <charles.geizhals@greenhill.com>; Bishop, Paul <Paul.Bishop@fticonsulting.com>; Jodi.Porepa@fticonsulting.com; RJacobs@cassels.com; JDietrich@cassels.com; Merskey, Alan <amerskey@cassels.com>

Cc: Wasserman, Marc <MWasserman@osler.com>; De Lellis, Michael <MDeLellis@osler.com>; Dacks, Jeremy <JDacks@osler.com>; Tundra-Osler <Tundra-Osler@glca.com>; Michael Kizer <michael.kizer@glca.com>; Michael Sellinger <michael.sellinger@glca.com>; Adam Kelly-Penso <adam.kellypenso@glca.com>; Tundra-GLC <Tundra-GLC@glca.com>

Subject: Tacora - DIP Facility Term Sheet

All,

As discussed earlier today, please find attached our executed DIP proposal, together with a blackline to the Consortium DIP Facility Term Sheet filed in connection with the replacement DIP motion.

We are happy to discuss.

Regards,
 Ben

OSLER

Ben Muller

Associate
 416.862.5923 | bmuller@osler.com
 Osler, Hoskin & Harcourt LLP | osler.com

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Stikeman Elliott LLP Barristers & Solicitors

5300 Commerce Court West, 199 Bay Street, Toronto, ON M5L 1B9 Canada

This email is confidential and may contain privileged information. If you are not an intended recipient, please delete this email and notify us immediately. Any unauthorized use or disclosure is prohibited.

TAB F

This is Exhibit "F" referred to in the Affidavit of Ben Muller, affirmed at the City of Toronto, in the Province of Ontario, before me on April 23, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

Carla Breadon (LSO#74478C)

DIP FACILITY TERM SHEET

This term sheet dated as of April 15, 2024 (this “**Term Sheet**”) sets out the terms on which Javelin Global Commodities (SG) Pte Ltd.; Small Micro LLC; O’Brien-Staley Partners; Brigade Capital Management, L.P.; Millstreet Capital Management LLC; and MSD Partners, L.P. (collectively, the “**DIP Lenders**”) are prepared to provide debtor-in-possession financing to Tacora Resources Inc. (“**Tacora**”).

Recitals:

Tacora commenced proceedings under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”, and those proceedings, the “**CCAA Proceedings**”) pursuant to an initial Order granted by the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) on October 10, 2023 (the “**Initial Order**”). Pursuant to the Initial Order, among other things, the Court approved a debtor-in-possession financing agreement between Tacora as borrower and Cargill, Incorporated (“**Cargill**”) as lender (the “**Cargill DIP**”).

The DIP Lenders have agreed to provide debtor-in-possession financing to repay Tacora’s obligations under the Cargill DIP and to fund the remainder of the CCAA Proceedings. The DIP Lenders have agreed to provide the DIP Facility (as defined below) on substantially the same terms as the Cargill DIP to be used for the pendency of the CCAA Proceedings in accordance with the terms and conditions set out herein:

1. **BORROWER:** Tacora Resources Inc. (“**Borrower**”).
2. **DIP LENDERS:** O’Brien-Staley Partners
Brigade Capital Management, L.P.
Millstreet Capital Management LLC
MSD Partners, L.P.
Javelin Global Commodities (SG) Pte Ltd.
Small Micro LLC
3. **DEFINED TERMS:** Unless otherwise defined herein, capitalized words and phrases used in this Term Sheet have the meanings given thereto in Schedule “**A**”.
4. **DIP FACILITY ADVANCES:** A senior secured, superpriority, debtor-in-possession, interim, non-revolving credit facility (the “**DIP Facility**”) up to a maximum principal amount of \$200 million (as such amount may be reduced from time to time pursuant to the terms hereof, the “**Facility Amount**”), subject to the terms and conditions contained herein. The Facility Amount shall be allocated among the DIP Lenders as provided by Schedule “**B**”.

Subject to the below, the DIP Facility shall be made available to the Borrower by way of:

- (a) an initial advance (the “**Initial Advance**”) in a principal amount of \$160 million as of the date of the Initial Advance, to be deposited by the DIP Lenders into the Operating Account within one (1) Business Day of the issuance of the New DIP Approval Order;
- (b) if required as contemplated by the DIP Budget, an advance (the “**Second Advance**”) in a principal amount of up to \$20 million, to

be deposited by the DIP Lenders into the Operating Account upon seven (7) Business Days' notice from the Borrower;

- (c) if required as contemplated by the DIP Budget, an advance (the "**Third Advance**") in a principal amount of up to \$10 million, to be deposited by the DIP Lenders into the Operating Account upon seven (7) Business Days' notice from the Borrower; and
- (d) if required as contemplated by the DIP Budget, an advance (the "**Fourth Advance**", and together with the Second Advance and the Third Advance, the "**Subsequent Advances**") in a principal amount of up to \$10 million, to be deposited by the DIP Lenders into the Operating Account upon seven (7) Business Days' notice from the Borrower.

The funding of the Advances by the DIP Lenders is subject to: (i) the Advance Conditions being satisfied at the time of the Advance; and (ii) the Borrower delivering to the DIP Lenders an Advance confirmation certificate in the form of Schedule "C" (an "**Advance Confirmation Certificate**").

Unless otherwise agreed to by the DIP Lenders in writing, the DIP Lenders shall each fund the Advances on a *pro rata* basis.

The Advance Confirmation Certificate shall certify that (i) all representations and warranties of the Borrower contained in this Term Sheet remain true and correct in all material respects both before and after giving effect to the use of such proceeds, (ii) all of the covenants of the Borrower contained in this Term Sheet and all other terms and conditions contained in this Term Sheet to be complied with by the Borrower, not properly waived in writing by the DIP Lenders, have been fully complied with, and (iii) no Default or Event of Default then exists and is continuing or would result therefrom.

Each Advance Confirmation Certificate shall be deemed to be acceptable and shall be honoured by the DIP Lenders unless the Required DIP Lenders have provided to the Borrower and the Monitor an objection thereto in writing, providing reasons for the objection, by no later than 4:00 p.m. Eastern Time on the Business Day following the delivery of such Advance Confirmation Certificate. A copy of each Advance Confirmation Certificate shall be concurrently provided to DIP Lenders and the Monitor.

5. **EXISTING ARRANGEMENTS:**

[Reserved]

6. **PURPOSE AND PERMITTED PAYMENTS:**

The Borrower shall use a portion of the Initial Advance to repay all amounts owing to Cargill under the Cargill DIP.

The Borrower shall use all other proceeds of the Initial Advance and the Subsequent Advances solely for the following purposes and in the

following order, in each case in accordance with the DIP Budget:

- (a) to pay the reasonable and documented professional and advisory fees and expenses (including legal fees and expenses) of (i) the Borrower and (ii) the Monitor (collectively, the “**Borrower Restructuring Expenses**”);
- (b) to pay the reasonable and documented DIP Lenders’ Expenses;
- (c) to pay the interest, fees and other amounts owing to the DIP Lenders under this Term Sheet; and
- (d) to fund, in accordance with the DIP Budget, the Borrower’s funding requirements during the CCAA Proceedings, including, without limitation, in respect of the pursuit of a Restructuring Transaction and the working capital and other general corporate funding requirements of the Borrower during such period.

For greater certainty, the Borrower may not use the proceeds of the DIP Facility to pay any category of obligations that are not included in the DIP Budget without the prior written consent of the Required DIP Lenders and may not pay the professional or advisory fees or expenses of any other Person that are not provided for in the DIP Budget, except pursuant to the terms of a binding support agreement with such Person with respect to the Restructuring Transaction that is acceptable to the Required DIP Lenders, or as may otherwise be agreed to by the Required DIP Lenders and the Borrower (in consultation with the Monitor).

7. **INITIAL
ADVANCE
CONDITIONS:**

[Reserved]

8. **ADVANCE
CONDITIONS:**

The DIP Lenders’ agreement to make the Facility Amount available to the Borrower and to advance the Advances to the Borrower is subject to the satisfaction of the following conditions precedent (collectively, the “**Advance Conditions**”), each of which is for the benefit of the DIP Lenders and may be waived by the Required DIP Lenders in their sole discretion:

- (a) The Borrower shall have executed and delivered this Term Sheet.
- (b) The Court shall have issued an Order (the “**New DIP Approval Order**”) in substantially the form attached hereto as Schedule “**D**” and with such changes as are acceptable to the Borrower, the Monitor and the Required DIP Lenders, each acting reasonably, including as necessary to (i) authorize the Borrower to borrow up to the Facility Amount, and (ii) provide for a charge over the Borrower’s Collateral that shall have priority over all Liens in respect of the Borrower’s Collateral other than the Permitted Priority Liens (the “**DIP Lenders’ Charge**”).

- (c) The New DIP Approval Order shall not have been stayed, vacated or otherwise amended, restated or modified without the consent of the Required DIP Lenders, acting reasonably.
- (d) There shall be no Liens ranking in priority to the DIP Lenders' Charge over the Borrower's Collateral other than the Permitted Priority Liens.
- (e) No Default or Event of Default shall have occurred or will occur as a result of the requested Advance.

9. **COSTS AND EXPENSES:**

The Borrower shall reimburse the DIP Lenders for all reasonable and documented out-of-pocket legal and financial advisory fees and expenses incurred (i) after the date of the New DIP Approval Order in connection with the DIP Lenders' participation in the CCAA Proceedings, and (ii) before or after the date of the New DIP Approval Order only in connection with the DIP Facility and the DIP Credit Documents (collectively, the "**DIP Lenders' Expenses**"). The DIP Lenders' Expenses shall form part of the DIP Obligations secured by the DIP Lenders' Charge.

All accrued DIP Lenders' Expenses incurred prior to the date of the New DIP Approval Order in connection with the DIP Facility shall be paid in full through deduction from the Initial Advance.

10. **DIP LENDERS' CHARGE:**

All DIP Obligations shall be secured by the DIP Lenders' Charge, in connection with which the Required DIP Lenders may, in their reasonable discretion, require the execution, filing or recording of any security agreements, pledge agreements, financing statements or other documents or instruments, in order to obtain, or further evidence, a Lien on such Collateral. For greater certainty, the execution, filing or recording of any security agreements, pledge agreements, financing statements or other documents or instruments shall not be an Advance Condition except and unless the Required DIP Lenders have provided the Borrower with seven (7) Business Days' notice that the execution, filing or recording of such security agreements, pledge agreements, financing statements or other documents or instruments is required.

11. **PERMITTED LIENS AND PRIORITY:**

All Collateral will be free and clear of all Liens, except for the Permitted Liens.

12. **REPAYMENT:** The DIP Facility and the DIP Obligations shall be due and repayable in full on the earlier of: (i) the occurrence of any Event of Default which is continuing and has not been cured; (ii) the completion of a Restructuring Transaction; (iii) the conversion of the CCAA Proceedings into a proceeding under the *Bankruptcy and Insolvency Act* (Canada); (iv) the date on which the DIP Obligations are voluntarily prepaid in full and the DIP Facility is terminated and (v) October 31, 2024 (the earliest of such dates being the “**Maturity Date**”). Subject to Section 31, the Maturity Date may be extended from time to time at the request of the Borrower (in consultation with the Monitor) and with the prior written consent of the DIP Lenders for such period and on such terms and conditions as the DIP Lenders may agree in their sole discretion.

Without the consent of the Required DIP Lenders, acting in their sole discretion, no Court Order sanctioning a Plan shall discharge or otherwise affect in any way the DIP Obligations, other than after the permanent and indefeasible payment in cash to the DIP Lenders of all DIP Obligations on or before the date such Plan is implemented.

13. **DIP BUDGET AND VARIANCE REPORTING:** Attached hereto as Schedule “E” is a copy of the agreed summary DIP Budget (excluding the supporting documentation provided to the DIP Lenders in connection therewith) as in effect on the date hereof (the “**Initial DIP Budget**”), which the DIP Lenders acknowledge and agree has been reviewed and approved by it, and is in form and substance satisfactory to the DIP Lenders. Such DIP Budget shall be the DIP Budget referenced in this Term Sheet unless and until such time as a revised DIP Budget has been approved by the DIP Lenders in accordance with this Section 13.

The Borrower may update and propose a revised DIP Budget to the DIP Lenders no more frequently than every two (2) weeks (unless otherwise consented to by the Required DIP Lenders), in each case to be delivered to the Monitor and the DIP Lenders and their legal counsel by no earlier than the Friday of the second week following the date of the delivery of the prior DIP Budget. Such proposed revised DIP Budget shall have been reviewed and approved by the Monitor. If the Required DIP Lenders determine that the proposed revised DIP Budget is not acceptable, they shall, within three (3) Business Days of receipt thereof, provide written notice to the Borrower and the Monitor stating that the proposed revised DIP Budget is not acceptable and setting out the reasons why such revised DIP Budget is not acceptable, and until the Borrower has delivered a revised DIP Budget acceptable to the Required DIP Lenders, the prior DIP Budget shall remain in effect. In the event that the Required DIP Lenders do not deliver to the Borrower written notice within three (3) Business Days after receipt by the DIP Lenders of a proposed revised DIP Budget that such proposed revised DIP Budget is not acceptable to it, such proposed revised DIP Budget shall automatically and without further action be deemed to have been accepted by the Required DIP Lenders and become the DIP Budget for the purposes hereof.

At any time, the latest DIP Budget accepted by the Required DIP Lenders

shall be the DIP Budget for the purpose of this Term Sheet.

On the last Business Day of every second week, the Borrower shall deliver to the Monitor and the DIP Lenders and their legal counsel a variance calculation (the “**Variance Report**”) setting forth actual disbursements for the preceding two weeks ending on the preceding Friday (each a “**Testing Period**”) and on a cumulative basis as against the then-current DIP Budget, and setting forth all the variances, on a line-item and aggregate basis in comparison to the amounts set forth in respect thereof for such Testing Period in the DIP Budget; each such Variance Report is to be promptly discussed with the DIP Lenders and their legal and financial advisors. Each Variance Report shall include reasonably detailed explanations for any material variances during the relevant Testing Period.

14. **EVIDENCE OF INDEBTEDNESS:** The DIP Lenders’ accounts and records constitute, in the absence of manifest error, *prima facie* evidence of the indebtedness of the Borrower to the DIP Lenders pursuant to the DIP Facility.
15. **PREPAYMENTS:** Provided the Monitor consents, the Borrower may prepay any DIP Obligations at any time prior to the Maturity Date without premium or penalty. Any amount repaid may not be reborrowed without the prior written consent of the Required DIP Lenders, which may be withheld in their sole discretion.

The Borrower may, at any time, negotiate and enter into another interim financing facility that provides for the prepayment of the DIP Obligations, and the concurrent termination of the DIP Facility and this Term Sheet.

16. **INTEREST RATE:** Interest shall be payable on (a) the principal amount of Advances and (b) overdue interest, fees and DIP Lenders’ Expenses outstanding from time to time at a rate equal to 10.0% *per annum*, payable monthly in arrears in cash on the last Business Day of each month, provided that, the Borrower shall have the right to defer the payment of accrued interest to the DIP Lenders in respect of any month and instead capitalize such interest by adding such interest to the principal amount of the DIP Obligations on the last Business Day of each applicable month.

All interest shall be computed daily on the basis of a calendar year of 365 or 366 days, as applicable, and, if not paid when due, shall compound monthly. Whenever any interest is calculated on the basis of a period of time other than a calendar year, the annual rate of interest to which each rate of interest determined pursuant to such calculation is equivalent for the purposes of the *Interest Act* (Canada) is such rate as so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days used in the basis for such determination.

For greater certainty, unless otherwise expressly provided in this Term Sheet, all payments to be made by the Borrower to the DIP Lenders under this Term Sheet on account of principal, interest, fees or otherwise shall be

made on a Pro Rata basis.

17. **EXIT FEE:** [Reserved]
18. **CURRENCY** Unless otherwise stated, all monetary denominations shall be in lawful currency of the United States and all payments made by the Borrower under this Term Sheet shall be in United States dollars. If any payment is received by the DIP Lenders hereunder in a currency other than United States dollars, or, if for the purposes of obtaining judgment in any court it is necessary to convert a sum due hereunder in any currency (the “**Original Currency**”) into another currency (the “**Other Currency**”), the parties hereby agree, to the fullest extent permitted by Applicable Law, that the rate of exchange used shall be the rate at which the DIP Lenders are able to purchase the Other Currency with the Original Currency after any costs of exchange on the Business Day preceding that on which such payment is made or final judgment is given.
19. **MANDATORY REPAYMENTS:** Unless otherwise consented to in writing by the Required DIP Lenders, the net cash proceeds of any sale, realization or disposition of, or with respect to, any of the Collateral (including obsolete, excess or worn-out Collateral) out of the ordinary course of business, or any insurance proceeds paid to the Borrower in respect of such Collateral, shall be paid to the DIP Lenders and applied to reduce the DIP Obligations and permanently reduce and cancel an equivalent portion of the Facility Amount in an amount equal to the net cash proceeds of such sale, realization, disposition or insurance (for greater certainty, net of transaction fees and applicable taxes in respect thereof). Any amount repaid may not be reborrowed.
20. **REPS AND WARRANTIES:** The Borrower represents and warrants to the DIP Lenders, upon which the DIP Lenders are relying in entering into this Term Sheet and the other DIP Credit Documents, that:
- (a) The Borrower has been duly formed and is validly existing under the law of its jurisdiction of incorporation;
 - (b) The transactions contemplated by this Term Sheet and the other DIP Credit Documents, upon the granting of the New DIP Approval Order:
 - (i) are within the powers of the Borrower;
 - (ii) have been duly executed and delivered by or on behalf of the Borrower;
 - (iii) constitute legal, valid and binding obligations of the Borrower, enforceable against the Borrower in accordance with their terms;
 - (iv) do not require any material authorization from, the consent or approval of, registration or filing with, or any other action by, any governmental authority or any third party; and

- (v) will not violate the charter documents, articles by-laws or other constating documents of the Borrower or any Applicable Law relating to the Borrower.
- (c) The Borrower owns its assets with good and marketable title thereto, subject only to Permitted Liens;
- (d) The business operations of the Borrower have been and will continue to be conducted in material compliance with all laws of each jurisdiction in which the business has been or is carried out;
- (e) The Borrower has obtained all material licences and permits required for the operation of its business, which licences and permits remain in full force and effect and no proceedings have been commenced or threatened to revoke or amend any of such licences or permits;
- (f) The Borrower maintains adequate insurance coverage, as is customary with companies in the same or similar business (except with respect to directors' and officers' insurance in respect of which no representation is made regarding adequacy of coverage) of such type, in such amounts and against such risks as is prudent for a business of its nature with financially sound and reputable insurers and that contain reasonable coverage and scope;
- (g) The Borrower has maintained and paid current its obligations for payroll, source deductions, harmonized, goods and services and retail sales tax, and is not in arrears of its statutory obligations to pay or remit any amount in respect of these obligations;
- (h) Other than as stayed pursuant to the Court Orders granted in these CCAA Proceedings, there is not now pending or, to the knowledge of any of the senior officers of the Borrower, threatened against the Borrower, nor has the Borrower received notice in respect of, any material claim, potential claim, litigation, action, suit, arbitration or other proceeding by or before any court, tribunal, governmental entity or regulatory body;
- (i) Except for those defaults which have been disclosed to the DIP Lenders in writing, all Material Contracts are in full force and effect and are valid, binding and enforceable in accordance with their terms and the Borrower does not have any knowledge of any default that has occurred and is continuing thereunder (other than those defaults arising as a result of or relating to the insolvency of the Borrower or any of its affiliates or the commencement of the CCAA Proceedings);
- (j) Except as disclosed to the DIP Lenders in writing by the Borrower, there are no agreements of any kind between the Borrower and any other third party or any holder of debt or Equity Securities of the Borrower with respect to any Restructuring Transaction, which

remain in force and effect as of the Filing Date;

- (k) No Default or Event of Default has occurred and is continuing; and
- (l) All written information furnished by or on behalf of the Borrower to the DIP Lenders or their advisors for the purposes of, or in connection with, this Term Sheet, the other DIP Credit Documents, or any other relevant document or any other transaction contemplated thereby, is true and accurate in all material respects on the date as of which such information is dated or certified, and not incomplete by omitting to state any material fact necessary to make such information not misleading at such time in light of then-current circumstances.

21. AFFIRMATIVE COVENANTS:

The Borrower agrees to do, or cause to be done, the following until the DIP Obligations are permanently and indefeasibly repaid in full:

- (a) (i) Allow representatives or advisors of the DIP Lenders reasonable access to the books, records, financial information and electronic data rooms of or maintained by the Borrower, and (ii) cause management, the financial advisor and/or legal counsel of the Borrower to cooperate with reasonable requests for information by the DIP Lenders and their legal and financial advisors in connection with matters reasonably related to the DIP Facility, the CCAA Proceedings, or compliance of the Borrower with its obligations pursuant to this Term Sheet, in each case subject to applicable privacy laws, solicitor-client privilege, and any disclosure restrictions contained in any Court Order or that, in the opinion of the Borrower (in consultation with the Monitor), each acting reasonably, are necessary to protect the Borrower's restructuring process;
- (b) Keep the DIP Lenders apprised on a timely basis of all material developments with respect to the business and affairs of the Borrower and the CCAA Proceedings, including all matters relating to its pursuit of a Restructuring Transaction, in each case subject to any disclosure restrictions contained in any Court Order or that, in the opinion of the Borrower (in consultation with the Monitor), each acting reasonably, are necessary to protect the Borrower's restructuring process;
- (c) Deliver to the DIP Lenders the reporting and other information from time to time reasonably requested by the Required DIP Lenders and as set out in this Term Sheet including, without limitation, the Variance Reports at the times set out herein;
- (d) Use the proceeds of the DIP Facility only in accordance with the restrictions set out in this Term Sheet and pursuant to the DIP Budget and Court Orders, subject to Permitted Variances;

- (e) Obtain the New DIP Approval Order by May 1, 2024, substantially in the form attached hereto and with such changes as are acceptable to the Borrower, the Monitor and the Required DIP Lenders, each acting reasonably;
- (f) Comply with the provisions of the New DIP Approval Order and all other Court Orders;
- (g) Preserve, renew and keep in full force its corporate existence;
- (h) Promptly notify the DIP Lenders of the occurrence of any Default or Event of Default;
- (i) Comply with Applicable Law in all material respects, except to the extent not required to do so pursuant to any Court Order;
- (j) Provide the DIP Lenders and their counsel draft copies of and the opportunity to comment on all motions, applications, proposed Court Orders and other materials or documents that the Borrower intends to file in the CCAA Proceedings at least two (2) Business Days prior to any such filing or, where it is not practically possible to do so within such time, as soon as possible prior to the date on which such motion, application, proposed Court Order or other materials or document is served on the service list in respect of the CCAA Proceeding;
- (k) Take all commercially reasonable actions necessary or available to defend the Court Orders from any appeal, reversal, modifications, amendment, stay or vacating not expressly consented to in writing in advance by the Required DIP Lenders relating to the DIP Facility or the DIP Lenders' Charge;
- (l) Promptly provide notice to the DIP Lenders and their counsel, and keep them otherwise apprised, of any material developments in respect of any Material Contract, subject to any disclosure restrictions contained in any Court Order or that, in the opinion of the Borrower (in consultation with the Monitor), each acting reasonably, are necessary to protect the Borrower's restructuring process;
- (m) Promptly provide notice to the DIP Lenders and their counsel, and keep them otherwise apprised, of any material notices, orders, decisions, letters, or other documents, materials, information or correspondence received from any regulatory authority having jurisdiction over the Borrower;
- (n) Provide the DIP Lenders and its advisors from time to time, on a confidential basis, with such information regarding the progress of the Borrower's pursuit of a Restructuring Transaction as may be reasonably requested by the Required DIP Lenders, subject to any disclosure restrictions contained in any Court Order, or that, in the

opinion of the Borrower (in consultation with the Monitor), each acting reasonably, are necessary to protect the Borrower's restructuring process;

- (o) Execute and deliver such loan and security documentation as may be reasonably requested by the Required DIP Lenders from time to time;
- (p) At all times maintain adequate insurance coverage of such kind and in such amounts and against such risks as is customary for the business of the Borrower with financially sound and reputable insurers in coverage and scope acceptable to the Required DIP Lenders, acting reasonably, and, if requested by the Required DIP Lenders, cause the DIP Lenders to be listed as the loss payees or additional insureds (as applicable) on such insurance policies. The DIP Budget shall permit funding sufficient to pay the premiums in respect of such insurance, including director and officer tail insurance at the discretion of and on terms acceptable to the Borrower;
- (q) Promptly following receipt of summary invoices, pay all DIP Lenders' Expenses no less frequently than every two weeks, provided that the DIP Lenders shall provide reasonable estimates of such expenses for purposes of the DIP Budget;
- (r) [reserved];
- (s) Promptly upon becoming aware thereof, provide details of any pending, or threatened claims, potential claims, litigation, actions, suits, arbitrations, other proceedings or notices received in respect of same, against the Borrower by or before any court, tribunal, Governmental Authority or regulatory body, which would be reasonably likely to result, individually or in the aggregate, in a judgment in excess of \$100,000;
- (t) Comply with the DIP Budget subject to the Permitted Variance; and
- (u) Act diligently and in good faith in the pursuit of the CCAA Proceedings.

22. **NEGATIVE COVENANTS:**

The Borrower covenants and agrees not to do, or cause not to be done, the following, until the DIP Obligations are permanently and indefeasibly repaid in full, other than with the prior written consent of the Required DIP Lenders or with the express consent required as outlined below:

- (a) Transfer, lease or otherwise dispose of all or any material part of its property, assets or undertaking outside of the ordinary course of business, except for the disposition of obsolete, redundant or ancillary assets in accordance with the amended and restated initial Order dated October 30, 2023 (the "**Amended and Restated Initial**

Order”) or another Court Order;

- (b) Make any payment, including, without limitation, any payment of principal, interest or fees, in respect of any obligation of the Borrower arising or relating to the period prior to the Filing Date, other than in accordance with the Court Orders and the DIP Budget;
- (c) Create or permit to exist any indebtedness other than (i) the indebtedness existing as of the Filing Date, (ii) the DIP Obligations, and (iii) any obligation expressly permitted to be incurred pursuant to any Court Order and (iv) post-filing trade payables or other unsecured obligations incurred in the ordinary course of business on or following the Filing Date in accordance with the DIP Budget and the Amended and Restated Initial Order;
- (d) Make (i) any distribution, dividend, return of capital or other distribution in respect of Equity Securities (in cash, securities or other property or otherwise); or (ii) a retirement, redemption, purchase or repayment or other acquisition of Equity Securities or indebtedness (including any payment of principal, interest, fees or any other payments thereon);
- (e) Issue any Equity Securities nor create any new class of Equity Securities or amend any terms of its existing Equity Securities, other than in connection with a Restructuring Transaction approved pursuant to a Court Order;
- (f) Consent to or take any steps in furtherance of the exercise of any conversion right under any Equity Securities issued by it;
- (g) Except as authorized by a Court Order, increase compensation or severance entitlements or other benefits payable to directors, senior officers or senior management, or pay any bonuses whatsoever, other than in accordance with the DIP Budget;
- (h) Make any investments or acquisitions of any kind, direct or indirect, in any business or otherwise other than in accordance with the DIP Budget;
- (i) Create or permit to exist any Liens on any of its properties or assets other than the Permitted Liens;
- (j) Make any payments (including payments to affiliates) or expenditures (including capital expenditures), other than in accordance with the DIP Budget, subject to the Permitted Variance and provided that the Borrower shall in no event pay any professional or advisory fees (including any legal fees or expenses) of any other Person (other than the Borrower, the DIP Lenders and the Monitor) that are not provided for in the DIP Budget, except pursuant to the terms of a binding support agreement with such Person with respect to the Restructuring Transaction that is

acceptable to the DIP Lenders, or as may otherwise be agreed to by the DIP Lenders and the Borrower (in consultation with the Monitor);

- (k) [reserved];
- (l) Amalgamate, consolidate with or merge into or sell all or substantially all of its assets to another entity, or change its corporate or capital structure (including its organizational documents) except as may be approved by Court Order or undertaken pursuant to a Court-approved Restructuring Transaction;
- (m) Make any changes to composition (including addition, removal or replacement of directors) of the board of directors of the Borrower (other than a resignation by a director), other than pursuant to a Court Order;
- (n) Seek, obtain, support, make or permit to be made any Court Order or any change, amendment or modification to any Court Order that would materially affect the rights or protections of the DIP Lenders under or in connection with the DIP Facility or the DIP Lenders' Charge, except with the prior written consent of the Required DIP Lenders, in their sole discretion;
- (o) Enter into any settlement agreement or agree to any settlement arrangements with any Governmental Authority or regulatory authority or in connection with any litigation, arbitration, other investigations, proceedings or disputes or other similar proceedings which are threatened or pending against it;
- (p) Without the approval of the Court, cease to carry on its business or activities or any material component thereof as currently being conducted or modify or alter in any material manner the nature and type of its operations or business;
- (q) Seek, or consent to the appointment of, a receiver or trustee in bankruptcy or any similar official in any jurisdiction; or
- (r) Seek or consent to the lifting of the stay of proceedings in favour of the Borrower.

23. EVENTS OF DEFAULT:

The occurrence of any one or more of the following events shall constitute an event of default (each an "**Event of Default**") under this Term Sheet:

- (a) Failure of the Borrower to pay: (i) principal, interest or other amounts when due pursuant to this Term Sheet or any other DIP Credit Documents; or (ii) the DIP Lenders' Expenses within ten (10) Business Days of being invoiced therefor, and such failure, in the case of items (i) and (ii) remains unremedied for more than

three (3) Business Days;

- (b) Failure of the Borrower to perform or comply with any term, condition, covenant or obligation pursuant to this Term Sheet, and such failure remains unremedied for more than three (3) Business Days, *provided that*, where another provision in this Section 23 expressly provides for a shorter or no cure period in respect of a particular Event of Default, such other provision shall apply;
- (c) Any representation or warranty by the Borrower made or deemed to be made in this Term Sheet or any other DIP Credit Document is or proves to be incorrect or misleading in any material respect as of the date made;
- (d) A default (other than a default resulting from the insolvency of the Borrower or the commencement of the CCAA Proceedings by the Borrower including, for greater certainty, as a result of failure to pay pre-filing amounts as a result of the commencement of the CCAA Proceedings) under any Material Contract (other than any contract between the Borrower and Cargill or the Borrower and CITPL) or any material amendment of any Material Contract unless agreed to by the Required DIP Lenders in writing;
- (e) [reserved];
- (f) Issuance of any Court Order (i) dismissing the CCAA Proceedings or lifting the stay of proceedings therein to permit the enforcement of any security against the Borrower or their Collateral, the appointment of a receiver, interim receiver or similar official, an assignment in bankruptcy, or the making of a bankruptcy order or receiving order against or in respect of the Borrower, in each case which order is not stayed pending appeal thereof; (ii) granting any other Lien in respect of the Borrower's Collateral that is in priority to or *pari passu* with the DIP Lenders' Charge other than a Permitted Priority Lien, (iii) modifying this Term Sheet or any other DIP Credit Document without the prior written consent of the Required DIP Lenders in their sole discretion; or (iv) staying, reversing, vacating or otherwise modifying any Court Order in respect of the DIP Facility or the DIP Lenders' Charge without the prior written consent of the Required DIP Lenders in their sole discretion;
- (g) Unless consented to in writing by the Required DIP Lenders, the expiry without further extension of the stay of proceedings granted by Court Order in these CCAA Proceedings;
- (h) (i) a Variance Report is not delivered within two (2) Business Days of the day on which such Variance Report is required to be delivered pursuant to this Term Sheet, or (ii) there shall exist a cumulative negative variance in excess of the Permitted Variance for the period from the date of the New DIP Approval Order to the

last day of such Testing Period, measured relative to the Initial DIP Budget or such revised DIP Budget as has been approved by the Required DIP Lenders in accordance with Section 13;

- (i) The denial or repudiation by the Borrower of the legality, validity, binding nature or enforceability of this Term Sheet or any other DIP Credit Documents or the DIP Obligations; or
- (j) Except as stayed by order of the Court or any other court with jurisdiction over the matter, the entry of one or more final judgments, writs of execution, garnishment or attachment representing a claim in excess of \$500,000 in the aggregate, against the Borrower or its Collateral that is not released, bonded, satisfied, discharged, vacated, stayed or accepted for payment by an insurer within 30 days after their entry, commencement or levy.

24. REMEDIES:

Upon the occurrence of an Event of Default, and subject to the Court Orders, the Required DIP Lenders may, in their sole discretion, elect to terminate the commitments hereunder and declare the DIP Obligations to be immediately due and payable and refuse to permit further Advances. In addition, upon the occurrence of an Event of Default, the Required DIP Lenders may, with leave of the Court on four (4) Business Days' notice to the Borrower and the Monitor, and in accordance with the Court Orders:

- (a) apply to the Court for the appointment of a receiver, interim receiver or receiver and manager over the Borrower or all or certain of its Collateral, or for the appointment of a trustee in bankruptcy in respect of the Borrower;
- (b) set-off or combine any amounts then owing by the DIP Lenders to the Borrower against the DIP Obligations; and
- (c) exercise against the Borrower the powers and rights of a secured party pursuant to the *Personal Property Security Act* (Ontario).

25. INDEMNITY AND RELEASE:

The Borrower agrees to indemnify and hold harmless the DIP Lenders and their affiliates and their respective directors, officers, employees, agents, counsel and advisors (all such persons and entities being referred to hereafter as “**Indemnified Persons**”) from and against any and all actions, suits, proceedings, claims, losses, damages, liabilities or expenses of any kind or nature whatsoever (excluding indirect or consequential damages and claims for lost profits) which may be incurred by or asserted against any Indemnified Person (collectively, “**Claims**”) as a result of or arising out of or in any way related to the DIP Facility or this Term Sheet and, upon demand, to pay and reimburse any Indemnified Person for any reasonable legal or other out-of-pocket expenses incurred in connection with investigating, defending or preparing to defend any such action, suit, proceeding or claim; provided, however, the Borrower shall not be obligated to indemnify pursuant to this paragraph any Indemnified Person against any loss, claim, damage, expense or liability (x) to the extent it resulted from the gross negligence, wilful misconduct or bad faith of any

Indemnified Person as finally determined by a court of competent jurisdiction, or (y) to the extent arising from any dispute solely among Indemnified Persons other than any Claims arising out of any act or omission on the part of the Borrower. The Borrower shall not be responsible or liable to any Indemnified Person or any other person for consequential or punitive damages.

Notwithstanding anything to the contrary herein, the indemnities granted under this Term Sheet shall survive any termination of the DIP Facility.

26. **TERMINATION BY BORROWER:** The Borrower shall be entitled to terminate this Term Sheet upon notice to the DIP Lenders: (i) in the event that the DIP Lenders have failed to fund the Facility Amount when required to do so under this Term Sheet, or (ii) at any time following the indefeasible payment in full in immediately available funds of all of the outstanding DIP Obligations. Effective immediately upon such termination, all obligations of the Borrower and the DIP Lenders under this Term Sheet shall cease, except for those obligations that explicitly survive termination. For greater certainty, all outstanding DIP Obligations in respect of all Advances funded prior to such termination shall become immediately due and payable concurrently with such termination and the DIP Lenders shall not be required to make any further extensions of credit under this Term Sheet.
27. **HEDGING:** The parties agree that upon entry into this Term Sheet, the Borrower shall be authorized to enter into one or more hedging arrangements from time to time, as may be mutually agreed by the Borrower and the DIP Lenders, and approved by the Monitor.
28. **TAXES:** All payments by the Borrower to the DIP Lenders pursuant to this Term Sheet or otherwise on account of the DIP Obligations, including any payments required to be made from and after the exercise of any remedies available to the DIP Lenders upon an Event of Default, shall be made free and clear of, and without reduction for or on account of, any present or future taxes, levies, imposts, duties, charges, fees, deductions or withholdings of any kind or nature whatsoever or any interest or penalties payable with respect thereto now or in the future imposed, levied, collected, withheld or assessed by any country or any political subdivision of any country (collectively “**Taxes**”); provided, however, that if any Taxes are required by Applicable Law to be withheld (“**Withholding Taxes**”) from any amount payable to the DIP Lenders under this Term Sheet or otherwise on account of the DIP Obligations, the amount so payable to the DIP Lenders shall be increased to the extent necessary to yield to the DIP Lenders on a net basis after payment of all Withholding Taxes, the amount payable under this Term Sheet at the rate or in the amount specified herein and the Borrower shall provide evidence satisfactory to the DIP Lenders that the Withholding Taxes have been so withheld and remitted.

If the Borrower pays an additional amount to the DIP Lenders to account for any Withholding Taxes, the DIP Lenders shall reasonably cooperate with the Borrower to obtain a refund of the amounts so withheld, including filing income tax returns in applicable jurisdictions, claiming a refund of

such Withholding Tax and providing evidence of entitlement to the benefits of any applicable tax treaty. The amount of any refund so received, and interest paid by the tax authority with respect to any refund, shall be paid over by the DIP Lenders to the Borrower promptly. If reasonably requested by the Borrower, the DIP Lenders shall apply to the relevant taxing authority to obtain a waiver from such withholding requirement, and the DIP Lenders shall cooperate with the Borrower and assist the Borrower to minimize the amount of Withholding Tax required, in each case at the Borrower's expense.

29. **STRATEGIC
PROCESS:**

[Reserved]

30. **ASSIGNMENT:**

The DIP Lenders may assign their rights and obligations under the DIP Facility and the DIP Credit Documents, in whole or in part, to any Person acceptable to the DIP Lenders with the prior written consent of (i) prior to an Event of Default, the Borrower, such consent not to be unreasonably withheld; and (ii) the Monitor based solely on the Monitor being satisfied, in its reasonable discretion, that the proposed assignee has the financial capacity to act as a DIP Lender. Notwithstanding the foregoing, the DIP Lenders shall be entitled to assign their rights and obligations hereunder to an affiliate without the consent of any other party.

Neither this Term Sheet nor any right and obligation hereunder or in respect of the DIP Facility may be assigned by the Borrower.

31. **AMENDMENTS,
WAIVERS, ETC.**

No waiver or delay on the part of the DIP Lenders in exercising any right or privilege hereunder will operate as a waiver hereof or thereof unless made in writing and delivered in accordance with the terms of this Term Sheet. Unless otherwise expressly provided in this Term Sheet, any waiver, amendment or other modification to this Term Sheet shall require the written consent of the Required DIP Lenders; provided that, notwithstanding the foregoing, solely with the consent of each DIP Lender directly and adversely affected thereby (but without the necessity of obtaining the consent of the Required DIP Lenders), any such agreement may:

- (a) increase the DIP Financing Commitment of such DIP Lender; it being understood that no amendment, modification or waiver of, or consent to departure from, any condition precedent, representation, warranty, covenant, Default, Event of Default, mandatory prepayment or mandatory reduction of the DIP Financing Commitments shall constitute an increase of any DIP Financing Commitment of such DIP Lender;
- (b) reduce or forgive the principal amount of any Advances (it being understood that a waiver of any Default, Event of Default, mandatory prepayment or mandatory reduction of the DIP Financing Commitments shall not constitute a reduction or forgiveness in principal);

- (c) extend the scheduled Maturity Date (it being understood that a waiver of any mandatory prepayment or mandatory reduction of the DIP Financing Commitments shall not constitute an extension of the Maturity Date);
- (d) reduce the interest rate provided for in Section 16 (other than to waive any Default or Event of Default or any obligations of the Borrower to pay interest at the default rate of interest in accordance with Section 16 of this Agreement) or the amount of any fees owed to such DIP Lender;
- (e) waive, amend or modify the provisions of Section 16 (with respect to Pro Rata allocation of all payments among DIP Lenders) of this Agreement in a manner that would by its terms alter the Pro Rata sharing of payments required thereby;
- (f) waive, amend or modify the definition of “Pro Rata”;
- (g) waive, amend or modify the definition of “Required DIP Lenders”, and
- (h) waive, amend or modify the provisions of this Section 31.

Notwithstanding anything else in this Term Sheet, and for greater certainty, this Term Sheet may not be waived, amended or modified to reduce the principal amount owed to any DIP Lender under the DIP Facility or increase the amount of any DIP Lender’s commitment under the DIP Facility, in each case, without the prior written consent of such DIP Lender.

Any waiver, amendment or modification to the terms of this Term Sheet shall be made in writing and signed by the Borrower and the requisite DIP Lenders.

To the extent any fees or other compensation becomes payable to the DIP Lenders in connection with any amendment to this Term Sheet, all DIP Lenders shall have the opportunity to receive their Pro Rata portion of any such fees or other compensation. To the extent any further financing above the Facility Amount is requested from any of the DIP Lenders by the Borrower, its affiliates or their advisors, the DIP Lenders shall have the opportunity to participate on a Pro Rata basis.

32. NOTICE:

Any notice, request or other communication hereunder to any of the parties shall be in writing and be well and sufficiently given if delivered personally or sent by electronic mail to the attention of the person as set forth below:

(a) In the case of the Borrower:

Tacora Resources Inc.
102 NE 3rd Street Suite 120
Grand Rapids, Minnesota

55744 USA

Attention: Joe Broking & Heng Vuong
 Email: joe.broking@tacoraresources.com;
heng.vuong@tacoraresources.com

With a copy to:

Stikeman Elliott LLP
 5300 Commerce Court West, 199 Bay St.
 Toronto, ON M5L 1B9

Attention: Ashley Taylor & Lee Nicholson
 Email: ataylor@stikeman.com; leenicholson@stikeman.com

and

Greenhill & Co., LLC
 1271 6th Ave, New York,
 NY 10020, USA

Attention : Chetan Bhandari, Michael Nessim & Usman Masood
 Email : chetan.bhandari@greenhill.com; michael.nessim@greenhill.com;
usman.masood@greenhill.com

And with a copy to the Monitor:

FTI Consulting Canada Inc.
 Toronto-Dominion Centre, 79 Wellington St W Suite 2010, Toronto, ON
 M5K 1G8

Attention: Paul Bishop & Jodi Porepa
 Email: paul.bishop@fticonsulting.com; jodi.porepa@fticonsulting.com

And with a copy to the Monitor's Counsel:

Cassels Brock & Blackwell LLP
 Bay Adelaide Centre – North Tower,
 Suite 3200, Toronto, ON M5H 0B4

Attention: Ryan Jacobs & Jane Dietrich
 Email: rjacobs@cassels.com; jdietrich@cassels.com.

(b) In the case of the DIP Lenders:

c/o
 GLC Advisors & Co., LLC
 600 Lexington Ave., 9th Floor
 New York, NY 10022 USA

Attention: Michael Sellinger, Michael Kizer & Adam Kelly-Penso
 Email: michael.sellinger@glca.com; michael.kizer@glca.com;

adam.kellypenso@glca.com

With a copy to:

Osler, Hoskin & Harcourt LLP
First Canadian Place
100 King St. W Suite 6200
M5X 1B8

Attention: Marc Wasserman, Michael De Lellis & Justin Sherman
mwasserman@osler.com; mdelellis@osler.com; jsherman@osler.com

Any such notice shall be deemed to be given and received, when received, unless received after 5:00 ET or on a day other than a Business Day, in which case the notice shall be deemed to be received the next Business Day.

33. **GOVERNING LAW AND JURISDICTION:** This Term Sheet shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein.

[signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Term Sheet to be executed by their duly authorized representatives as of the date first written above.

TACORA RESOURCES INC., as Borrower

By: _____
Name:
Title:

**JAVELIN GLOBAL COMMODITIES (SG)
PTE LTD.**

By: _____
Name:
Title:

SMALL MICRO LLC

By: _____
Name:
Title:

**O'BRIEN-STALEY PARTNERS (on behalf of
OSP Value Fund III, LP and OSP Value Fund
IV, LP)**

By: _____
Name:
Title:

BRIGADE CAPITAL MANAGEMENT, L.P.
as Investment Manager on Behalf of its Various
Funds and Accounts

By: _____
Name:
Title:

MSD PARTNERS, L.P.

By: _____
Name:
Title:

**MILLSTREET CAPITAL MANAGEMENT
LLC, AS INVESTMENT MANAGER ON
BEHALF OF MULTIPLE NOTEHOLDERS**

By: _____
Name:
Title:

**SCHEDULE “A”
DEFINED TERMS**

“**Administration Charge**” has the meaning provided in the Amended and Restated Initial Order.

“**Advance**” means an amount of the DIP Facility advanced to the Borrower pursuant to the terms hereof from time to time, and for greater certainty includes the Initial Advance and the Subsequent Advances.

“**Advance Conditions**” has the meaning given thereto in Section 8.

“**Advance Confirmation Certificate**” has the meaning given thereto in Section 4.

“**Amended and Restated Initial Order**” has the meaning given thereto in Section 22.

“**Applicable Law**” means, in respect of any Person, property, transaction or event, all applicable laws, statutes, rules, by-laws and regulations and all applicable official directives, orders, judgments and decrees of any Governmental Body having the force of law.

“**Borrower**” has the meaning given thereto in Section 1.

“**Borrower Restructuring Expenses**” has the meaning given thereto in Section 6.

“**Business Day**” means each day other than a Saturday or Sunday or a statutory or civic holiday that banks are open for business in Canada and the United States of America.

“**Cargill**” has the meaning given thereto in the recitals.

“**Cargill DIP**” has the meaning given thereto in the recitals.

“**CCAA**” has the meaning given thereto in the recitals.

“**CCAA Proceedings**” has the meaning given thereto in the recitals.

“**CITPL**” means Cargill International Trading PTE Ltd., and its successors and assigns.

“**Claims**” has the meaning given thereto in Section 25.

“**Collateral**” means, in respect of a Person, all current or future assets, businesses, undertakings and properties of such Person, including all proceeds thereof.

“**Court**” has the meaning given thereto in the recitals.

“**Court Order**” means any order of the Court in the CCAA Proceedings.

“**Default**” means an event or circumstance which, after the giving of notice or the passage of time, or both, will result in an Event of Default.

“**DIP Budget**” means the weekly financial projections prepared by the Borrower covering the period to and including the week ended July 21, 2024, on a weekly basis, which shall be in form and substance acceptable to the DIP Lenders, acting reasonably (as to scope, detail and content), which financial projections may be amended from time to time in accordance with Section 13. For greater certainty, for

purposes of this Term Sheet, the DIP Budget shall include all supporting documentation provided in respect thereof to the DIP Lenders.

“**DIP Credit Documents**” means this Term Sheet and all other loan and security documents executed by the Borrower in connection with this Term Sheet from time to time.

“**DIP Facility**” has the meaning given thereto in Section 4.

“**DIP Financing Commitment**” means, with respect to each of the respective DIP Lenders, the amount indicated in Schedule “B” hereto, the amount of which may not be amended for a specific DIP Lender, without the prior written consent of that DIP Lender.

“**DIP Obligations**” means (i) all Advances made under the DIP Facility, (ii) all other principal, interest, fees due hereunder and (iii) DIP Lenders’ Expenses, in each case to the extent incurred or arising after the date of the New DIP Approval Order.

“**DIP Lenders’ Expenses**” has the meaning given thereto in Section 9.

“**DIP Lenders**” has the meaning given thereto in the recitals.

“**DIP Lenders’ Charge**” has the meaning given thereto in Section 8.

“**Directors’ Charge**” means the Court-ordered priority charge over the Borrower’s Collateral granted by the Court pursuant to the Amended and Restated Initial Order.

“**Fourth Advance**” has the meaning given thereto in Section 4.

“**Equity Securities**” means, with respect to any Person, any and all shares, interests, participations, rights in, or other equivalents (however designated and whether voting and nonvoting) of, such Person’s capital, whether outstanding on the date hereof or issued after the date hereof, including any interest in a partnership, limited partnership or other similar Person and any beneficial interest in a trust, and any and all rights, warrants, debt securities, options or other rights exchangeable for or convertible into any of the foregoing.

“**Event of Default**” has the meaning given thereto in Section 23.

“**Facility Amount**” has the meaning given thereto in Section 4.

“**Filing Date**” means the date on which the Initial Order is granted by the Court in the CCAA Proceedings.

“**Governmental Authority**” means any federal, provincial, state, municipal, local or other government, governmental or public department, commission, board, bureau, agency or instrumentality, domestic or foreign and any subdivision, agent, commission, board or authority of any of the foregoing.

“**Indemnified Persons**” has the meaning given thereto in Section 25.

“**Initial Advance**” has the meaning given thereto in Section 4.

“**Initial DIP Budget**” has the meaning given thereto in Section 13.

“**Initial Order**” has the meaning given thereto in the recitals.

“**KERP**” means the key employee retention program approved by this Court pursuant to the Amended and Restated Initial Order.

“**KERP Charge**” means the charge granted by the Court to secure the KERP pursuant to the Amended and Restated Initial Order.

“**Liens**” means all liens, hypothecs, charges, mortgages, trusts (including deemed, statutory and constructive trusts), encumbrances, security interests, and statutory preferences of every kind and nature whatsoever.

“**Material Contract**” means any contract, license or agreement: (i) to which the Borrower is a party or is bound; (ii) which is material to, or necessary in, the operation of the business of such Borrower; and (iii) which such Borrower cannot promptly replace by an alternative and comparable contract with comparable commercial terms.

“**Maturity Date**” has the meaning given thereto in Section 12.

“**Monitor**” means FTI Consulting Canada Inc.

“**New DIP Approval Order**” has the meaning given thereto in Section 8.

“**Operating Account**” means a bank account of the Borrower designated by the Borrower to receive Advances.

“**Original Currency**” has the meaning given thereto in Section 18.

“**Other Currency**” has the meaning given thereto in Section 18.

“**Permitted Liens**” means (i) the Permitted Priority Liens; (ii) the DIP Lenders’ Charge; (iii) any charges created under the Initial Order or other Court Order subsequent in priority to the DIP Lenders’ Charge; (iv) Liens existing prior to the Filing Date; and (v) inchoate statutory Liens arising after the Filing Date in respect of any accounts payable arising after the Filing Date in the ordinary course of business.

“**Permitted Priority Liens**” means (i) the Administration Charge, (ii) the Directors’ Charge, (iii) the KERP Charge (if applicable), (iv) the Transaction Fee Charge, (v) any Lien in respect of amounts payable by the Borrower for wages, vacation pay, employee deductions, sales tax, excise tax, tax payable pursuant to Part IX of the *Excise Tax Act* (Canada) (net of input credits), income tax and workers compensation claims, in the case of each of the items listed in this clause (v), solely to the extent such amounts are given priority by Applicable Law and only to the extent that the priority of such amounts has not been subordinated to the DIP Lenders’ Charge granted by the Court and (vi) such other Liens existing as of the date of the New DIP Approval Order that have not been subordinated to the DIP Lenders’ Charge granted by the Court.

“**Permitted Variance**” means a variance of not more than 15% relative to the aggregate disbursements (excluding the DIP Lenders’ Expenses) on a cumulative basis since the beginning of the period covered by the applicable DIP Budget.

“**Person**” means an individual, partnership, corporation, business trust, joint stock company, limited liability company, trust, unincorporated association, joint venture, Governmental Authority or other entity of whatever nature.

“**Plan**” means any plan of compromise or arrangement pursuant to the CCAA in respect of the Borrower.

“**Pro Rata**” means, in respect of any DIP Lender at any time, the ratio of the DIP Obligations owing to such DIP Lender at such time to the aggregate DIP Obligations owing to all DIP Lenders.

“**Required DIP Lenders**” means, at any time, DIP Lenders holding at least 60% of the aggregate DIP Financing Commitments held by DIP Lenders.

“**Restructuring Transaction**” means any restructuring, financing, refinancing, recapitalization, sale, liquidation, workout, Plan or other material transaction of, or in respect of, the Borrower or all or substantially all of their business, assets or obligations.

“**Second Advance**” has the meaning given thereto in Section 4.

“**Subsequent Advances**” has the meaning given thereto in Section 4.

“**Tacora**” has the meaning given in the recitals.

“**Taxes**” has the meaning given thereto in Section 28.

“**Third Advance**” has the meaning given thereto in Section 4.

“**Transaction Fee Charge**” means the charge in favour of Greenhill & Co. Canada Ltd. approved by the Court pursuant to the Amended and Restated Initial Order.

“**Term Sheet**” has the meaning given thereto in the recitals.

“**Testing Period**” has the meaning given thereto in Section 13.

“**Variance Report**” has the meaning given thereto in Section 13.

“**Withholding Taxes**” has the meaning given thereto in Section 28.

SCHEDULE "B"
DIP FINANCING COMMITMENT

The allocations below assume maximum amount of the DIP Facility is funded. Each Advance shall be funded *pro rata* based on the allocations below by the DIP Lenders.

<u>DIP Lender</u>	<u>Total DIP Financing Commitment (\$)</u>
Javelin Global Commodities (SG) Pte Ltd.	
Small Micro LLC	
O'Brien-Staley Partners	
Brigade Capital Management, L.P.	
Millstreet Capital Management LLC	
MSD Partners, L.P.	

**SCHEDULE “C”
FORM OF ADVANCE CONFIRMATION CERTIFICATE**

TO: GLC Advisors Co., on behalf of the DIP Lenders

DATE: [●]

Reference is made to that certain DIP Facility Term Sheet between Tacora Resources Inc., as Borrower, and the DIP Lenders as lenders dated April 15, 2024 (the “**Term Sheet**”). Capitalized terms used herein and not otherwise defined have the meanings given to them in the Term Sheet.

The Borrower hereby gives irrevocable notice pursuant to the terms of the Term Sheet for **[the Initial Advance / the Subsequent Advances]** (the “**Requested Advance**”) as follows:

The date of the Requested Advance is: _____

The requested amount of the Requested Advance is: \$ _____

The Requested Advance shall be deposited into the Operating Account on [●].

The DIP Lenders are hereby irrevocably instructed and directed to fund the Requested Advance in accordance with the wire instructions set out in Schedule A.

The Borrower hereby certifies:

- (i) that all representations and warranties of the Borrower contained in the Term Sheet remain true and correct in all material respects both before and after giving effect to the use of the Requested Advance;
- (ii) that all representations and warranties of the Borrower contained in the Term Sheet remain true and correct in all material respects both before and after giving effect to the use of the Requested Advance;
- (iii) that no Event of Default exists and is continuing or would result from the Requested Advance, and
- (iv) that the use of proceeds of the Requested Advance will comply with the DIP Budget (subject to the Permitted Variance).

TACORA RESOURCES INC., as Borrower

Per: _____

Name:

Title:

SCHEDULE "D"
FORM OF NEW DIP APPROVAL ORDER

See attached.

SCHEDULE "E"
DIP BUDGET

See attached.

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
TACORA RESOURCES INC.

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

PROCEEDING COMMENCED AT TORONTO

**RESPONDING MOTION RECORD OF THE
CONSORTIUM OF NOTEHOLDERS
(RE: AMENDED DIP MOTION
RETURNABLE APRIL 25, 2024)**

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