



This is the 11<sup>th</sup> affidavit of  
Brendan Creaney in this case and was  
made on January 22, 2023  
No. S-226670  
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

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

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*,  
S.B.C. 2002, C. 57, AS AMENDED AND THE *BUSINESS  
CORPORATIONS ACT*, S.N.B. 1981, C. B-9.1, AS AMENDED

AND

IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF TREVALI MINING  
CORPORATION AND TREVALI MINING (NEW BRUNSWICK) LTD.

PETITIONERS

**AFFIDAVIT**

I, Brendan Creaney, of 1900 – 999 West Hastings Street, Vancouver, British Columbia, AFFIRM  
THAT:

**I. INTRODUCTION**

1. I am the Chief Financial Officer of Trevali Mining Corporation (the "**Company**"), a petitioner in this proceeding and the one hundred (100) percent owner of the other petitioner in this proceeding, Trevali Mining (New Brunswick) Ltd. ("**Trevali NB**", and together with the Company, the "**Petitioners**"). As such, I have personal knowledge of the matters deposed to in this affidavit except where I depose to a matter based on information from an informant I identify, in which case I believe that both the information from the informant and the resulting statement are true.

2. The Petitioners obtained protection under the *Companies' Creditors Arrangement Act* (the "CCAA") pursuant to an Order issued by this Court on August 19, 2022.

3. The Petitioners have been working diligently towards their restructuring goals since they obtained CCAA protection. They have, among other things: stabilized their business; negotiated and obtained approval of a "**Settlement Agreement**" between the Company and their two senior secured lenders; obtained interim financing to fund the Company's restructuring; developed and implemented a court-approved sales process (the "**SISP**") that has resulted in a sale of the Company's 90% interest in the Rosh Pinah mine and assignment of debt owing from certain of the Company's subsidiaries (the "**Transactions**"); and consulted and worked cooperatively with their secured creditors and other stakeholders to find orderly, efficient, and where possible value-maximizing solutions with respect to their other assets and mining properties.

4. On December 14, 2022, the CCAA stay of proceedings with respect to the Company was extended to, and expires on, January 27, 2023. The Company shortly thereafter obtained Court approval of the Transactions pursuant to an Approval and Vesting Order granted on December 21, 2022.

5. The Company now seeks to preserve the status quo to allow it to continue its restructuring efforts, the efforts being undertaken towards closing the Transactions for the sale of the Rosh Pinah mine, and to maximize value for its stakeholders. The Company therefore seeks an order extending the stay of proceedings until April 30, 2023.

6. In light of the orders of this Court made on January 9, 2022 with respect to Trevali NB, which contemplate a stay extension for Trevali NB only until January 24, 2023 and the appointment of a receiver over certain of Trevali's NB assets as of that date, each which are discussed in greater detail below, the application currently before the Court is for an extension of the stay of proceedings with respect to Trevali Mining Corporation only.

## II. UPDATE ON THE PETITIONERS' RESTRUCTURING EFFORTS

7. The Petitioners last provided this Court with a general update on their restructuring efforts in my Affidavit #8 made December 9, 2022. This was followed by my Affidavit #9 dated December 16, 2022, which discussed the results of the SISP and the Petitioners' selection of the "Winning Bid" for the Company's interest in the Rosh Pinah mine.

8. In the six weeks that have followed my Affidavit #8, the Petitioners have continued to advance their restructuring efforts. The Petitioners have, in consultation with their secured lenders, with the assistance of the Monitor and, where appropriate, in consultation with the “**Sales Agent**”, National Bank Financial Inc., among other things:

- (a) continued to implement the court-approved SISP, including reviewing and considering the multiple bids received with respect to the Company’s interest in the Rosh Pinah mine, and ultimately selecting a “Winning Bid” for that asset;
- (b) negotiated, finalized and sought court approval of Transactions with the successful SISP bidders, Appian Natural Resources Fund III LP and Appian Natural Resources (UST) Fund III LP (the “**Purchasers**”), as more fully described in my Affidavit # 9, which Transactions were approved by this Court on December 21, 2022;
- (c) worked with their advisors, the Purchasers, and other interested stakeholders to negotiate the definitive documentation required to close the Transactions, take the necessary steps to obtain foreign government and other approvals and consents, and address conditions precedent to the closing of the Transactions. In this regard, I can advise that the Purchasers and the Company, along with their local and foreign professional advisors, are working diligently and cooperatively towards a closing of the Transaction;
- (d) arranged for site visits and attending to various related matters in Namibia, where the Rosh Pinah mine is located;
- (e) engaged in discussions with their secured lenders and the Government of New Brunswick (the “**NB Government**”) with respect to next steps for the Caribou Mine and assets of Trevali NB, which culminated in a consensual resolution between the parties and applications by the Petitioners’ secured lenders and the NB Government before this Court on January 9, 2022 for a Stay Extension Order and a Receivership Order with respect to Trevali NB, to permit the orderly involvement of the NB Government and the maximization of value of the assets of Trevali NB;
- (f) continued operations at the Rosh Pinah mine and maintained site integrity at the Caribou mine;

- (g) continued to consider potential options with respect to the Company's remaining assets including recovery of accounts receivable, recovery of insurance proceeds, and settlement of disputes;
- (h) discussed and considered next steps in these CCAA proceedings;
- (i) communicated regularly with the Petitioners' stakeholders, including their respective creditors, suppliers, lenders, employees, and governmental bodies, in particular their secured lenders and the NB Government, in connection with these CCAA proceedings; and
- (j) engaged frequently with the Monitor with respect to all aspects of the Petitioners' restructuring efforts.

9. The protection and stability provided by the stay of proceedings has been essential to significant restructuring efforts the Petitioners have made to date, including those described above.

### **III. INTERIM FINANCING UPDATE**

10. On October 11, 2022, this Court granted an order approving an interim lending facility, as more particularly described in my Affidavit #7 made October 11, 2022, in an amount not to exceed US \$16.5 million.

11. To date, US \$13 million has been drawn under that facility. The Company expects to draw a further approximate US \$2 million during the requested stay extension period.

12. Based on the Company's CCAA cash flow, the Company is projected to have sufficient liquidity to see it through to April 30, 2023, with additional availability under the interim lending facility if required.

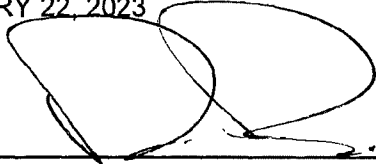
### **IV. THE COMPANY HAS ACTED IN GOOD FAITH AND WITH DUE DILIGENCE AND A CONTINUED STAY IS APPROPRIATE**

13. The Company requires a further extension of the stay of proceedings to continue the collaborative and consultative efforts it has made to restructure its business since being granted CCAA protection from this Court. The Company therefore proposes an extension of the stay of proceedings from January 31, 2023, to April 30, 2023, to permit it to continue these efforts.

14. In particular, the Company requires this extension of the stay of proceedings to allow it to continue efforts towards maximizing value for its assets, including by working to close to Transactions approved by this Court on December 21, 2022.

15. I believe the length of stay extension sought by the Company is reasonable having regard to its current and anticipated restructuring efforts and value maximization for stakeholders. I do not believe any creditor of the Company will suffer material prejudice if an order extending the stay of proceedings until April 30, 2023, is granted.

AFFIRMED BEFORE ME AT  
VANCOUVER, BRITISH COLUMBIA ON  
JANUARY 22, 2023



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A Commissioner for taking Affidavits for  
British Columbia

PETER RUBIN



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Brendan Creaney