

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

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT  
OF NUNAVUT IRON ORE, INC., BAFFINLAND IRON MINES CORPORATION,  
AND 12334992 CANADA INC.**

Applicants

**AFFIDAVIT OF JOSHUA GORDON  
(Sworn June 9, 2026)**

I, Joshua Gordon, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am an associate in the restructuring and insolvency group at the law firm Cassels Brock & Blackwell LLP ("**Cassels**"). Cassels is counsel to the Ad Hoc Committee (the "**Ad Hoc Committee**"), being the holders of approximately 70% of the outstanding 8.750% senior secured notes of Baffinland Iron Mines Corporation and Baffinland Iron Mines LP ("**BIM LP**" and together with the Applicants, the "**Debtors**"). I am a member of the Cassels team representing the Ad Hoc Committee in connection with the Applicants' proceedings under the *Companies' Creditors Arrangement Act*. As such, I have knowledge of the matters to which I hereinafter depose. Where I do not have personal knowledge of the matters set out herein, I have stated the source of my information and, in all such cases, believe it to be true.

2. Attached as **Exhibit "A"** is an email dated June 7, 2026 from Brittney Ketwaroo of Stikeman Elliott LLP ("**Stikeman**"), counsel to Oaktree Capital Management, L.P. and Hartree Partners, LP (together, the "**First Secured Lenders**" and together with the Ad Hoc Committee, the "**Senior Secured Lenders**"), to the Monitor and its counsel, Osler, Hoskin & Harcourt LLP

(“**Osler**”), and counsel to the Debtors, attaching a letter dated June 6, 2026 to the Monitor, enclosing a list of questions directed to the Monitor and the Debtors (the “**June 6 Letter**”).

3. Attached as **Exhibit “B”** is an email dated June 8, 2026 from Ben Muller of Osler to Maria Konyukhova of Stikeman, attaching a letter containing the Monitor’s responses to the inquiries raised in the June 6 Letter.

4. Attached as **Exhibit “C”** is an email dated June 8, 2026 from Ryan Jacobs of Cassels to the Monitor and Osler, attaching a cost comparison analysis prepared by the Ad Hoc Committee’s financial advisor, Houlihan Lokey. Included in Exhibit “C” to this affidavit is a revised version of such analysis (in place of the version circulated with the email), which removes branding and confidentiality headers for clarity.

5. Attached as **Exhibit “D”** is an email chain comprised of two emails from June 9, 2026 from Maria Konyukhova of Stikeman to the Debtors’ counsel, the Monitor and Osler, attaching a letter dated June 9, 2026, enclosing, among other things, (i) a revised form of DIP term sheet on behalf of the Senior Secured Lenders and (ii) the Secured Creditor Protections (as defined in the June 9 letter).

6. Attached as **Exhibit “E”** is an email dated June 9, 2026 from Ryan Jacobs of Cassels to the Debtors’ counsel, requesting Know Your Customer (KYC) information of the Debtors’, for the proposed fronting lender of the Senior Secured Lenders' DIP.

**SWORN BEFORE ME** by video conference on this 9<sup>th</sup> day of June, 2026. The affiant and I were both located at the City of Toronto, in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



---

Commissioner for Taking Affidavits  
(or as may be)

Commissioner Name: Alec Hoy  
Law Society of Ontario Number: 85489K



---

**JOSHUA GORDON**

This is Exhibit "A" referred to in the Affidavit of Joshua Gordon, affirmed June 9, 2026. The affiant and I both were located in the City of Toronto, in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



---

Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Alec Hoy  
Law Society of Ontario Number: 85489K

## Gordon, Joshua

---

**Subject:** FW: Letter from M. Konyukhova  
**Attachments:** Letter dated June 6 2026.pdf

---

**From:** Brittney Ketwaroo <[bketwaroo@stikeman.com](mailto:bketwaroo@stikeman.com)>  
**Sent:** Sunday, June 07, 2026 10:19 PM  
**To:** [mwasserman@osler.com](mailto:mwasserman@osler.com); [mdelellis@osler.com](mailto:mdelellis@osler.com); [greg.watson@fticonsulting.com](mailto:greg.watson@fticonsulting.com);  
[jeffrey.rosenberg@fticonsulting.com](mailto:jeffrey.rosenberg@fticonsulting.com); [rschwill@dwpv.com](mailto:rschwill@dwpv.com); [nrenner@dwpv.com](mailto:nrenner@dwpv.com)  
**Cc:** Maria Konyukhova <[mkonyukhova@stikeman.com](mailto:mkonyukhova@stikeman.com)>; Dan Murdoch <[dmurdoch@stikeman.com](mailto:dmurdoch@stikeman.com)>;  
[idizengoff@akingump.com](mailto:idizengoff@akingump.com); [mlahaie@akingump.com](mailto:mlahaie@akingump.com); [lcharleston@akingump.com](mailto:lcharleston@akingump.com); [nethridge@akingump.com](mailto:nethridge@akingump.com); Jacobs,  
Ryan <[rjacobs@cassels.com](mailto:rjacobs@cassels.com)>; Wunder, Michael <[mwunder@cassels.com](mailto:mwunder@cassels.com)>; Logan Copen <[lcopen@stikeman.com](mailto:lcopen@stikeman.com)>;  
Brian Bolin ([bbolin@paulweiss.com](mailto:bbolin@paulweiss.com)) <[bbolin@paulweiss.com](mailto:bbolin@paulweiss.com)>; Graham, Joe <[jgraham@paulweiss.com](mailto:jgraham@paulweiss.com)>  
**Subject:** Letter from M. Konyukhova

**CAUTION:** External Email

Good Evening,

We are resending the letter sent yesterday at 8:34 PM as it previously stated, in error, that it was sent without prejudice.

Thank you,

**Brittney Ketwaroo (She/Her)**

Direct: +1 416 869 5524  
Cell: +1 437 351 6192  
Email: [bketwaroo@stikeman.com](mailto:bketwaroo@stikeman.com)

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**Stikeman Elliott LLP** Barristers & Solicitors

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

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# Stikeman Elliott

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Maria Konyukhova  
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Mobile: +1 416 319 1632  
mkonyukhova@stikeman.com

June 6, 2026

## By Email

**mwasserman@osler.com;**  
**mdelellis@osler.com;**  
**greg.watson@fticonsulting.com;**  
**jeffrey.rosenberg@fticonsulting.com;**  
**rschwill@dwpv.com; and**  
**nrenner@dwpv.com**

Osler, Hoskin & Harcourt LLP  
Counsel to the Monitor  
100 King Street West, Suite 6200  
Toronto, Ontario M5X 1B8

and

FTI Consulting Canada Inc.  
In its capacity as Monitor  
TD South Tower  
79 Wellington Street West, Suite 2010  
Toronto, Ontario M5K 1G8

and

Davies Ward Phillips & Vineberg LLP  
155 Wellington Street West  
Toronto, Ontario M5V 3J7

Attention: Marc Wasserman and Michael De Lellis, Greg Watson, Jeffrey Rosenberg, Robin Schwill and Natalie Renner

**Dear Sirs and Mesdames:**

**Re: In the Matter of a Plan of Compromise or Arrangement of Nunavut Iron Ore, Inc. Baffinland Iron Mines Corporation, and 12334992 Canada Inc. (collectively, the “Debtors” or “Company”, and together with Baffinland Iron Mines LP, “BIM” or the “Company”, with the proceedings being the “CCAA Proceedings”)**

As you are aware, we are counsel to Oaktree Capital Management, L.P. and Hartree Partners, LP (collectively, the “**First Secured Lenders**”, and together with the ad hoc committee of holders of the 8.750% senior secured notes due 2026, the “**Senior Secured Lenders**”).

We thank the Monitor and the Company for their cooperation in working with the Senior Secured Lenders on the terms for adjournment of the Company's DIP financing approval motion as described to the Court on June 5. The Senior Secured Lenders' immediate priority now is to understand the impact over the next 4 weeks on the Senior Secured Lenders of the priming DIP financing proposed to be provided by His Majesty in Right of Canada, as represented by Export Development Canada (the "**Third Party DIP Lender**"). It is the position of the Senior Secured Lenders that any bridge financing advanced should maintain the status quo while contested matters are properly determined.

In that regard, we set out below a preliminary set of questions directed to the Monitor and the Company to assist the parties in evaluating the relief sought. Some of the questions included arise from our June 1, 2026, correspondence (which remain outstanding), while others address additional questions arising from the Second Monitor's Report and the Applicants' Motion Record dated June 3, 2026.

These questions are not in lieu of cross-examination of Ms. Celeste van Tonder. Furthermore, the Senior Secured Lenders reserve the right to supplement the below list of questions as we continue to review and consider the materials filed by the Company and the Monitor. The Senior Secured Lenders also reserve all rights to pose additional questions in connection with the litigation on the full DIP facility approval tentatively scheduled for June 30, 2026.

We respectfully request that the Monitor and the Company provide responses to the below questions on a **rolling basis over the weekend of June 6–7, 2026**, with all responses to be received no later than **Monday, June 8, 2026 at 12:00 p.m. (Toronto time)**, so that all parties may be in a position to meaningfully engage with the issues in advance of the June 10 hearing. The Senior Secured Lenders intend to rely on any failure to respond to these questions at the hearing on June 10.

1. The Initial Cash Flow Forecast filed in these proceedings differs significantly from previous cash flow projections provided to the First Secured Lenders. For 2027 (a more normalized operating year), projected free cash flow decreased from positive \$62.6 million to approximately negative \$103.6 million. This is a clear example of significant inconsistencies and material deviations seen through budgeting activities of the Company. Please provide a detailed reconciliation explaining these significant variances, including each material line item that changed and the rationale for each adjustment, particularly with respect to the Interim DIP Period, including G&A spend, charter costs and capital expenditures
2. Please explain the key assumptions underlying the 13-week Approved Cash Flow within the Second Monitor's Report ("**Cash Flow Forecast**"), including: (a) commodity price assumptions (iron ore price, grade adjustments, product mix and freight); (b) exchange rate assumptions (USD/CAD); and (c) production level assumptions (Mtpa shipped and sold);
3. Please provide a breakdown by firm of the professional fees budgeted in the 13-week Approved Cash Flow (or such other cash flow forecasts approved by the Third Party DIP Lender in connection with making an initial advance) detailing the budgeted costs for each firm including each of the firms acting for or in connection with the Third Party DIP Lender.
4. What is the total quantum of bridge financing required by the Debtors for the period from Wednesday, June 10, 2026, through June 30, 2026 (the "**Interim DIP Period**")? Please provide a detailed week-by-week breakdown of projected disbursements for this period, identifying which expenditures are non-discretionary versus discretionary.

5. The Cash Flow Forecast notes that it does not include amounts for a key employee retention or incentive plan (“**KERP**”). What is the estimated quantum and timing of payment of the KERP?
6. Significant amounts are proposed to flow out of the Company during the CCAA proceedings in respect of non-market and related party transactions, including: (i) Glencore’s marketing fees (2% of price paid by end customers); (ii) the 8% discount to ArcelorMittal Sourcing S.C.A. in respect of its offtake arrangement; (iii) payments in respect of the Royalty Agreements (royalties of \$0.50/dmt to EMG affiliates and ArcelorMittal affiliates); and (iv) operator fees to MRP LP (the “**EMG Operator**”) equal to 2% of enumerated capital and operating costs. For each such arrangement, please advise:
  - (a) What are the total amounts paid or projected to be paid on account of these agreements during the Interim DIP Period?
  - (b) What actions are the Monitor and the Company taking during the Interim DIP Period to ensure these costs can be minimized during this CCAA period, or contracts replaced (ArcelorMittal Sourcing S.C.A.) i.e. benchmarking, market comparison, or independent assessment has been conducted to determine whether each arrangement reflects fair market value and arm’s length terms?
  - (c) Has the Monitor formed any view on whether continuation of these arrangements during the Interim DIP Period is in the best interests of the estate and stakeholders as a whole?
  - (d) What is the total aggregate value flowing to related parties and insiders under these arrangements over the Approved Cash Flow period and projected duration of the Interim DIP Period?
  - (e) Please provide copies of all independent valuations, fairness opinions, or market analyses obtained by the Company or the Monitor in respect of any related party or non-arm’s length transaction.
  - (f) Have any members of the Operating Committee participated in decisions regarding the continuation of the Royalty Agreements, the EMG Operator fees, or other arrangements that benefit the shareholders they represent?
7. What material contracts is the Company anticipating entering into or paying out during the Interim DIP Period? If so, please identify each such contract, the counterparty, the estimated value, and the nature of the obligation.
8. The proposed term sheet with the Third Party DIP Lender permits the Debtors to spend up to \$10 million on exploration and \$20 million on expansion before requiring Third Party DIP Lender consent. How much of these amounts is anticipated to be spent during the Interim DIP Period? Please provide a description of the nature of the expenditures in each category and any details on whether any claims, work in progress, or permits are at risk of being lost absent these expenditures.
9. Are there any staffing, operational readiness activities, or other associated costs envisioned during the Interim DIP Period, which relate to future activities which fall outside of the \$20 and \$10 million permitted expenditures noted above?

10. Please confirm the mine plan envisioned during the Interim DIP Period, with regards to stripping and waste rock. Can the operations team shift strategies following June 30<sup>th</sup>, or will the Company be too far progressed, and subject to lower/higher ongoing mining costs for the balance of the year as a result?
11. Please provide a detailed list of sea lift expenditures including purpose, use and whether for normal course Milne operations or growth/expansion.
12. Please detail any non-reoccurring spend during the Interim DIP Period.

Yours truly,

Stikeman Elliott LLP



Maria Konyukhova  
Partner

MK/BK

cc: Paul, Weiss, Rifkind, Wharton & Garrison LLP, U.S. counsel to the First Secured Lenders  
Cassels Brock & Blackwell LLP, Canadian counsel to the Ad Hoc Committee  
Akin Gump Strauss Hauer & Feld LLP, U.S. counsel to the Ad Hoc Committee

This is Exhibit "B" referred to in the Affidavit of Joshua Gordon, affirmed June 9, 2026. The affiant and I both were located in the City of Toronto, in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



---

Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Alec Hoy  
Law Society of Ontario Number: 85489K

## Gordon, Joshua

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**Subject:** FW: Letter from M. Konyukhova  
**Attachments:** Project Canary - Letter of the Monitor dated June 8, 2026 (Response to June 6 Letter of First Secured Lenders).pdf

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**From:** Muller, Ben <[bmuller@osler.com](mailto:bmuller@osler.com)>  
**Sent:** Monday, June 08, 2026 12:36 PM  
**To:** Maria Konyukhova <[mkonyukhova@stikeman.com](mailto:mkonyukhova@stikeman.com)>  
**Cc:** Wasserman, Marc <[MWasserman@osler.com](mailto:MWasserman@osler.com)>; Dacks, Jeremy <[JDacks@osler.com](mailto:JDacks@osler.com)>; De Lellis, Michael <[MDeLellis@osler.com](mailto:MDeLellis@osler.com)>; Watson, Greg <[greg.watson@fticonsulting.com](mailto:greg.watson@fticonsulting.com)>; Rosenberg, Jeffrey <[jeffrey.rosenberg@fticonsulting.com](mailto:jeffrey.rosenberg@fticonsulting.com)>; Schwill, Robin <[rschwill@dwpv.com](mailto:rschwill@dwpv.com)>; Natalie Renner <[nrenner@dwpv.com](mailto:nrenner@dwpv.com)>; [dmurdoch@stikeman.com](mailto:dmurdoch@stikeman.com); Brittney Ketwaroo <[bketwaroo@stikeman.com](mailto:bketwaroo@stikeman.com)>; Dizengoff, Ira <[idizengoff@Akingump.com](mailto:idizengoff@Akingump.com)>; Lahaie, Meredith <[mlahaie@akingump.com](mailto:mlahaie@akingump.com)>; [lcharleston@akingump.com](mailto:lcharleston@akingump.com); [nethridge@akingump.com](mailto:nethridge@akingump.com); Jacobs, Ryan <[rjacobs@cassels.com](mailto:rjacobs@cassels.com)>; Wunder, Michael <[mwunder@cassels.com](mailto:mwunder@cassels.com)>; [lcopen@stikeman.com](mailto:lcopen@stikeman.com); [bbolin@paulweiss.com](mailto:bbolin@paulweiss.com); [jgraham@paulweiss.com](mailto:jgraham@paulweiss.com)  
**Subject:** RE: Letter from M. Konyukhova

**CAUTION:** External Email

Hi Maria,

Please see attached correspondence sent on behalf of Marc Wasserman, as of today's date.

Regards,  
Ben

**OSLER**

**Ben Muller**  
Associate  
416.862.5923 | [bmuller@osler.com](mailto:bmuller@osler.com)  
Osler, Hoskin & Harcourt LLP | [osler.com](http://osler.com)

---

**From:** Brittney Ketwaroo <[bketwaroo@stikeman.com](mailto:bketwaroo@stikeman.com)>  
**Sent:** Sunday, June 07, 2026 10:19 PM  
**To:** Wasserman, Marc <[MWasserman@osler.com](mailto:MWasserman@osler.com)>; De Lellis, Michael <[MDeLellis@osler.com](mailto:MDeLellis@osler.com)>; [greg.watson@fticonsulting.com](mailto:greg.watson@fticonsulting.com); [jeffrey.rosenberg@fticonsulting.com](mailto:jeffrey.rosenberg@fticonsulting.com); [rschwill@dwpv.com](mailto:rschwill@dwpv.com); [nrenner@dwpv.com](mailto:nrenner@dwpv.com)  
**Cc:** Maria Konyukhova <[mkonyukhova@stikeman.com](mailto:mkonyukhova@stikeman.com)>; Dan Murdoch <[dmurdoch@stikeman.com](mailto:dmurdoch@stikeman.com)>; [idizengoff@akingump.com](mailto:idizengoff@akingump.com); [mlahaie@akingump.com](mailto:mlahaie@akingump.com); [lcharleston@akingump.com](mailto:lcharleston@akingump.com); [nethridge@akingump.com](mailto:nethridge@akingump.com); Jacobs, Ryan <[rjacobs@cassels.com](mailto:rjacobs@cassels.com)>; Wunder, Michael <[mwunder@cassels.com](mailto:mwunder@cassels.com)>; Logan Copen <[lcopen@stikeman.com](mailto:lcopen@stikeman.com)>; Brian Bolin ([bbolin@paulweiss.com](mailto:bbolin@paulweiss.com)) <[bbolin@paulweiss.com](mailto:bbolin@paulweiss.com)>; Graham, Joe <[jgraham@paulweiss.com](mailto:jgraham@paulweiss.com)>  
**Subject:** Letter from M. Konyukhova

Good Evening,

We are resending the letter sent yesterday at 8:34 PM as it previously stated, in error, that it was sent without prejudice.

Thank you,

**Brittney Ketwaroo (She/Her)**

Direct: +1 416 869 5524  
Cell: +1 437 351 6192  
Email: [bketwaroo@stikeman.com](mailto:bketwaroo@stikeman.com)

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**Stikeman Elliott**

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**Stikeman Elliott LLP** Barristers & Solicitors

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**Osler, Hoskin & Harcourt LLP**  
Box 50, 1 First Canadian Place  
Toronto, Ontario, Canada M5X 1B8  
416.362.2111 MAIN  
416.862.6666 FACSIMILE

**OSLER**

Toronto

June 8, 2026

Marc S. Wasserman  
Direct Dial: 416.862.4908  
mwasserman@osler.com  
Our Matter Number: 1281682

Montréal

Calgary

**VIA EMAIL**

Ottawa

**Stikeman Elliott LLP**  
199 Bay Street  
Suite 5300, Commerce Court West  
Toronto, ON M5L 1B9

Vancouver

New York

Attention: Maria Konyukhova  
[mkonyukhova@stikeman.com](mailto:mkonyukhova@stikeman.com)

Dear Madam:

**Re: Proceedings of Nunavut Iron Ore, Inc., Baffinland Iron Mines Corporation and 12334992 Canada Inc. under the *Companies' Creditors Arrangement Act* (Court File No. CL-26-00000219-0000)**

Thank you for your letter dated June 6, 2026 (the “**June 6 Letter**”). All capitalized terms used herein and not otherwise defined have the meanings ascribed to them in your June 6 Letter or the Second Monitor’s Report, as applicable.

Even though written requests of the Monitor were not contemplated by the agreed upon terms of the adjournment of the June 5<sup>th</sup> motion to June 10<sup>th</sup>, and there are questions in the June 6 Letter that are not possible to answer by the deadline set out in the June 6 Letter, the Monitor, in consultation with the Company, has provided responses to the questions raised in the June 6 Letter where it is able to do so.

The Monitor notes that certain responses require additional investigation and input from, or further consultation with, the Company, the Company has limited capacity and is focusing its efforts on dealing with urgent supplier issues and running the business during the interim period until a DIP Facility is approved. We also note that the CFO is preparing for cross-examination. Nevertheless, the Monitor, in consultation with the Company, has provided responses to the questions as set out below and will revert in due course with respect to the remaining questions.

Below are the Monitor’s responses to the questions raised in the June 6 Letter, which are set out in the same order as the questions were presented in the June 6 Letter.

1. The Company has provided numerous cash flow projections to the First Secured Lenders, and the June 6 Letter does not specify which of the previous cash flows you are referring to or would like a reconciliation against. Please provide a copy of, or specify which, previous cash flow projection is the subject of your inquiry. Once we receive that information, the Monitor will investigate the deviations and variances (if any) and provide a response. However, the Monitor has reviewed the 13-week Approved Cash Flow. For the longer projections prepared by the Company, the Monitor has reviewed the detailed 2026 forecasts. The 2027 forecast is based on 2026 and there is no incremental spend in the first half of 2027. The cash spend in 2027 will depend on the outcome of 2026, but it is expected that the sea lift expenditures will be consistent with what is reflected in the cash flows.
2. The 13-week Approved Cash Flow reflects the following assumptions:
  - (a) Pricing: 95/110 iron ore pricing.
  - (b) Exchange rate: USD/CAD rate of 1.38 as noted on the 13-week Approved Cash Flow.
  - (c) Production: This question requires further time to prepare a response.
3. The Company, with the assistance of the Monitor, has estimated the professional fees included in the 13-week Approved Cash Flow in totality, as opposed to a firm-by-firm basis. Matters have moved quickly since the CCAA filing and the Monitor intends to refine its view as matters progress, as fees will depend in part on the litigation surrounding the proposed EDC DIP Facility.
4. The Monitor refers you to the 13-week Approved Cash Flow for the required financing for the week ending July 3, 2026. If you would like a further discussion on this cash flow, we would be happy to schedule a call to provide further information.
5. The timing and quantum of a KERP remains subject to further consideration.
6. There are no Glencore-related fees in the Interim DIP Period. There are no ArcelorMittal Sourcing S.C.A fees assumed in the Interim DIP Period. There are no Operator fees in the Interim DIP Period, however, there are reimbursement of expenses. There are no payments in respect of Royalty Agreements in the Interim DIP Period.
  - (a) See answer above.

- (b) The Monitor has not done any independent investigation to-date on the contracts listed in this question. The Monitor will take appropriate measures in due course to investigate any transaction that may be considered non-arm's length or non-fair market value in accordance with statutory requirements. The Monitor understands and appreciates that this is a pressing issue for stakeholders and will accelerate its review.
  - (c) See answer to (b), above.
  - (d) See answer to (a), above.
  - (e) The Monitor has not obtained any valuations, fairness opinions or market analyses. Please direct this question to the Company and let us know if further assistance from the Monitor is required on this point.
  - (f) The only decision that can be considered related to these matters that the Monitor has been involved in with the Operating Committee since the Filing Date is with respect to the approval of the EDC DIP Facility.
7. The major material contract that the Company has entered into since the Filing Date was the fuel supply contract with an affiliate of one of your clients. There are several contracts or purchase orders that will be executed in the coming weeks that are reflected in the disbursement line items in the 13-week Approved Cash Flow. If you have any questions about specific contracts based on your clients' familiarity with the business, please let us know.
  8. This is consistent with the Excel spreadsheet that was shared with Houlihan Lokey, as financial advisor to the Ad Hoc Noteholder Group. The 13-week Approved Cash Flow sets out how much of the \$10 million on exploration and \$20 on Steensby are anticipated to be spent during the Interim DIP Period, being \$2.9 million on exploration and \$1.8 million on Steensby matters.
  9. The Monitor does not understand this question. Could you please clarify?
  10. The Company has advised the mine plan during the Interim DIP Period is the same as communicated during the DIP solicitation process. It is challenging for the Operations team to shift mine plan strategies in a short period of time. Mine plans are longer term development initiatives which involve equipment and workforce planning, amongst other things.
  11. The Company has confirmed the sealift expenditures only include normal course supplies, consignment inventory, food supplies, and freight charges relating to fuel. There are no Steensby related costs.

12. The Monitor does not understand this question. Could you please clarify?

Yours truly,

A handwritten signature in black ink, appearing to be 'MW', with a long horizontal flourish extending to the right.

Marc S. Wasserman  
Partner  
MW

c:     Jeremy Dacks & Michael De Lellis, *Osler, Hoskin & Harcourt LLP*  
       Greg Watson & Jeffrey Rosenberg, *FTI Consulting Canada Inc.*  
       Robin Schwill & Natalie Renner, *Davies Ward Phillips & Vineberg LLP*  
       Brian Bolin & Joe Graham, *Paul, Weiss, Rifkind, Wharton & Garrison LLP*  
       Ryan Jacobs & Michael Wunder, *Cassels Brock & Blackwell LLP*  
       Ira Dizengoff, Meredith Lahaie, Lucas Charleston & Nell Ethridge, *Akin Gump  
       Strauss Hauer & Feld LLP*

This is Exhibit "C" referred to in the Affidavit of Joshua Gordon, affirmed June 9, 2026. The affiant and I both were located in the City of Toronto, in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



---

Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Alec Hoy  
Law Society of Ontario Number: 85489K

## Gordon, Joshua

---

**Subject:** FW: Baffinland  
**Attachments:** Baffinland - DIP Cost Comparison (2026.06.08\_1325).pdf

---

**From:** Jacobs, Ryan  
**Sent:** Monday, June 08, 2026 3:39 PM  
**To:** [greg.watson@fticonsulting.com](mailto:greg.watson@fticonsulting.com); Jeffrey Rosenberg <[jeffrey.rosenberg@fticonsulting.com](mailto:jeffrey.rosenberg@fticonsulting.com)>; [mwasserman@osler.com](mailto:mwasserman@osler.com); De Lellis, Michael <[mdelellis@osler.com](mailto:mdelellis@osler.com)>  
**Cc:** Wunder, Michael <[mwunder@cassels.com](mailto:mwunder@cassels.com)>; Maria Konyukhova ([mkonyukhova@stikeman.com](mailto:mkonyukhova@stikeman.com)) <[mkonyukhova@stikeman.com](mailto:mkonyukhova@stikeman.com)>; Meredith Lahaie ([mlahaie@akingump.com](mailto:mlahaie@akingump.com)) <[mlahaie@akingump.com](mailto:mlahaie@akingump.com)>; Feintuch, Jason <[JFeintuch@HL.com](mailto:JFeintuch@HL.com)>; Cumming, David <[DCumming@HL.com](mailto:DCumming@HL.com)>  
**Subject:** Baffinland

FTI/Osler teams,

We understand that the Monitor is preparing a summary of the two binding DIP financings available to the Company to be delivered to the Court. In that regard, we attach a cost comparison prepared by Houlihan Lokey as it relates to the two DIPs. We trust that the Monitor will consider this. Relatedly, and based on earlier comments from the Debtors, it appears the Debtors may not be fully appreciating the role of a fronting lender as it relates to the Senior Secured Lenders' DIP. As is customary now with many DIP financings in CCAA and Chapter 11, a fronting lender fronts the loans on behalf of multiple lenders, assumes the credit risk for the full loan and disperses funds to the Debtors before collecting any amounts from the lenders. Importantly, the use of a fronting lender does not increase the cost to the Debtors and fully addresses any risk that may be perceived relating to the joint and several structure of the DIP. If the Monitor has any questions about this, or would like clarification before it issues its summary, please reach out to us.

Thank you,

Ryan Jacobs  
Cassels  
O: 416.860.6465  
C: 647.971.3407

# DIP Proposal Comparisons

The below analysis highlights the implied cost of borrowing associated with the Senior Secured Lenders (“SSL”) bridge relative to the Government DIP proposal

(\$ in mm)

	Government Proposal	SSL Proposal	Delta
<b>Interest Rate</b>	<b>Citibank Prime Rate + 475</b>	<b>S+700</b>	<b>~0.60%</b>
<b>Facility Amount</b>	<b>\$400</b>	<b>\$300</b>	<b>\$100</b>
<b>Upfront Fee (Cash)</b>	<b>2.0%</b>	<b>–</b>	<b>2.0%</b>
<b>Upfront Fee (PIK)</b>	<b>–</b>	<b>3.0%</b>	<b>(3.0%)</b>
<i>Upfront Fee Amount (\$)</i>	<i>8.0</i>	<i>9.0</i>	<i>(1.0)</i>
<b>Commitment (Unused) Fee</b>	<b>1.5%</b>	<b>–</b>	<b>1.5%</b>
4 Week Cash Interest <sup>(1)</sup>	\$0.9	\$0.9	\$0.1
13 Week Cash Interest	3.9	3.8	0.2
2026 Cash Interest	14.7	14.3	0.4
2027 Cash Interest	38.3	37.1	1.2
13 Week Total Cash Cost (incl. fees)	\$12.8	\$3.8	\$9.1
2026 Total Cash Cost (incl. fees)	24.2	14.3	9.9
2027 Total Cash Cost (incl. fees)	39.3	37.1	2.2
Aggregate Total Cash Cost to Company	\$63.5	\$51.4	\$12.1
Aggregate Total Non-Cash Cost to Company	–	9.0	(9.0)
<b>Aggregate Total Cost to Company</b>	<b>\$63.5</b>	<b>\$60.4</b>	<b>\$3.1</b>

Note: Cash costs to Company include cash interest and upfront cash fees; non-cash costs to the Company include PIK fees

(1) Assumes \$110mm outstanding on both DIPs for 4 weeks and no other cash or non-cash costs to the Company within the 4-week period from June 10<sup>th</sup>, 2026, to July 7<sup>th</sup>, 2026

This is Exhibit "D" referred to in the Affidavit of Joshua Gordon, affirmed June 9, 2026. The affiant and I both were located in the City of Toronto, in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



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Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Alec Hoy  
Law Society of Ontario Number: 85489K

## Gordon, Joshua

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**Subject:** FW: Baffinland - DIP proposal  
**Attachments:** (Redline) DIP - Interim Bridge Financing -Concession List 151261194-v5 and 151261194-v6.pdf; Letter from M. Konyukhova Submitting Updated Joint DIP Proposal (June 9 2026)-with Enclosures.pdf

---

**From:** Maria Konyukhova <[mkonyukhova@stikeman.com](mailto:mkonyukhova@stikeman.com)>  
**Sent:** Tuesday, June 09, 2026 12:10 PM  
**To:** Wasserman, Marc <[MWasserman@osler.com](mailto:MWasserman@osler.com)>; Dacks, Jeremy <[JDacks@osler.com](mailto:JDacks@osler.com)>; De Lellis, Michael <[MDeLellis@osler.com](mailto:MDeLellis@osler.com)>; Watson, Greg <[greg.watson@fticonsulting.com](mailto:greg.watson@fticonsulting.com)>; Rosenberg, Jeffrey <[jeffrey.rosenberg@fticonsulting.com](mailto:jeffrey.rosenberg@fticonsulting.com)>; Schwill, Robin <[rschwill@dwpv.com](mailto:rschwill@dwpv.com)>; Natalie Renner <[nrenner@dwpv.com](mailto:nrenner@dwpv.com)>  
**Cc:** Dan Murdoch <[dmurdoch@stikeman.com](mailto:dmurdoch@stikeman.com)>; Brittney Ketwaroo <[bketwaroo@stikeman.com](mailto:bketwaroo@stikeman.com)>; Dizengoff, Ira <[idizengoff@AkinGump.com](mailto:idizengoff@AkinGump.com)>; Lahaie, Meredith <[mlahaie@akingump.com](mailto:mlahaie@akingump.com)>; [lcharleston@akingump.com](mailto:lcharleston@akingump.com); [nethridge@akingump.com](mailto:nethridge@akingump.com); Jacobs, Ryan <[rjacobs@cassels.com](mailto:rjacobs@cassels.com)>; Wunder, Michael <[mwunder@cassels.com](mailto:mwunder@cassels.com)>; Logan Copen <[lcopen@stikeman.com](mailto:lcopen@stikeman.com)>; [bbolin@paulweiss.com](mailto:bbolin@paulweiss.com); [jgraham@paulweiss.com](mailto:jgraham@paulweiss.com)  
**Subject:** RE: Baffinland - DIP proposal

**CAUTION:** External Email

Reattaching our prior correspondence which has an updated version of the Secured Creditor Protections list attached as a schedule. The earlier letter contained an unfinalized version of that list in error. A blackline to the version sent this morning is also attached for convenience. I confirm there are no other changes to the letter or any other attachments.

We remain available to discuss with the Company and the Monitor at your convenience.

**Maria Konyukhova**

Direct: +1 416 869 5230  
Mobile: +1 416 319 1632  
Email: [mkonyukhova@stikeman.com](mailto:mkonyukhova@stikeman.com)

---

**From:** Maria Konyukhova  
**Sent:** Tuesday, June 9, 2026 7:37 AM  
**To:** Wasserman, Marc <[MWasserman@osler.com](mailto:MWasserman@osler.com)>; Dacks, Jeremy <[JDacks@osler.com](mailto:JDacks@osler.com)>; De Lellis, Michael <[MDeLellis@osler.com](mailto:MDeLellis@osler.com)>; Watson, Greg <[greg.watson@fticonsulting.com](mailto:greg.watson@fticonsulting.com)>; Rosenberg, Jeffrey <[jeffrey.rosenberg@fticonsulting.com](mailto:jeffrey.rosenberg@fticonsulting.com)>; Schwill, Robin <[rschwill@dwpv.com](mailto:rschwill@dwpv.com)>; Natalie Renner <[nrenner@dwpv.com](mailto:nrenner@dwpv.com)>  
**Cc:** Dan Murdoch <[DMurdoch@stikeman.com](mailto:DMurdoch@stikeman.com)>; Brittney Ketwaroo <[BKetwaroo@stikeman.com](mailto:BKetwaroo@stikeman.com)>; Dizengoff, Ira <[idizengoff@AkinGump.com](mailto:idizengoff@AkinGump.com)>; Lahaie, Meredith <[mlahaie@akingump.com](mailto:mlahaie@akingump.com)>; [lcharleston@akingump.com](mailto:lcharleston@akingump.com); [nethridge@akingump.com](mailto:nethridge@akingump.com); Jacobs, Ryan <[rjacobs@cassels.com](mailto:rjacobs@cassels.com)>; [mwunder@cassels.com](mailto:mwunder@cassels.com); Logan Copen <[LCopen@stikeman.com](mailto:LCopen@stikeman.com)>; [bbolin@paulweiss.com](mailto:bbolin@paulweiss.com); [jgraham@paulweiss.com](mailto:jgraham@paulweiss.com)  
**Subject:** Baffinland - DIP proposal

Please see attached correspondence.

**Maria Konyukhova**

Direct: +1 416 869 5230  
Mobile: +1 416 319 1632  
Email: [mkonyukhova@stikeman.com](mailto:mkonyukhova@stikeman.com)

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June 9, 2026

**By Email: [rschwill@dwpv.com](mailto:rschwill@dwpv.com);  
[nrenner@dwpv.com](mailto:nrenner@dwpv.com); [mwasserman@osler.com](mailto:mwasserman@osler.com);  
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[jeffrey.rosenberg@fticonsulting.com](mailto:jeffrey.rosenberg@fticonsulting.com)**

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and

Osler Hoskin & Harcourt LLP  
100 King Street West  
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Suite 4600, P.O. Box 50  
Toronto, ON M5X 1B8

and

FTI Consulting Canada Inc.  
TD South Tower, 79 Wellington Street West  
Toronto Dominion Centre, Suite 2010, P.O. Box 104  
Toronto, ON M5K 1G8

**Attention: Robin Schwill, Natalie Renner, Marc Wasserman, Michael De Lellis, Greg Watson and Jeffrey Rosenberg**

Dear Sirs and Mesdames:

**Re: In the Matter of a Plan of Compromise or Arrangement of Nunavut Iron Ore, Inc. Baffinland Iron Mines Corporation, and 12334992 Canada Inc. (collectively, the “Applicants”, and together with Baffinland Iron Mines LP, “BIM” or the “Company”, with the proceedings being the “CCAA Proceedings”)**

As you know, we are counsel to Oaktree Capital Management, L.P. and Hartree Partners, LP (together, the “**First Secured Lenders**”). Capitalized terms used herein and not otherwise defined have the meanings ascribed to such terms in our letter addressed to the Monitor dated May 30, 2026.

We are writing on behalf of the Senior Secured Lenders in connection with the motion scheduled for June 10, 2026 related to DIP financing (the “**June 10 Motion**”).

As you know and as we previously stated, including in our letter addressed to the Monitor dated June 1,

2026, existing senior secured creditors of a debtor company are the preferred source of DIP financing. The Senior Secured Lenders (being collectively the First Secured Lenders and the ad hoc committee of holders of 8.750% senior secured notes due 2026 issued by Baffinland Iron Mines Corporation) have demonstrated and continue to demonstrate a willingness and a commitment to provide the Company with viable DIP financing to pursue a successful restructuring in the CCAA Proceedings.

As a result of that willingness and commitment, on May 30, 2026, the Senior Secured Lenders submitted a binding and actionable commitment for a \$300 million DIP facility (the “**SSL DIP**”). As you know, in our submission, we expressly stated that the Senior Secured Lenders were prepared to negotiate certain covenants and conditions to funding that the Company has described (without clarification) as too restrictive. The Senior Secured Lenders were not provided with information regarding what terms of the SSL DIP were concerning to the Company until after the Company selected the DIP facility terms (the “**Third Party DIP**”) provided by His Majesty in Right of Canada, as represented by Export Development Canada (“**EDC**”) and until after the Company served it materials at 12:12am on June 4, 2026.

As a result of this new information finally provided to the Senior Secured Lenders, they have revised the SSL DIP to address these issues. A revised, binding and actionable commitment is submitted herewith and includes, among other things, an immediate initial advance of \$110 million to ensure that there is no risk that the Company will not have sufficient liquidity during the bridge period. We again invite the Company and the Monitor to engage with the Senior Secured Lenders if there are any terms in the revised binding SSL DIP that requires clarification.

In addition, and to ensure that the SSL DIP is entirely without prejudice to any other pre-filing secured creditors during the interim financing period, the Senior Secured Lenders agree to provide certain secured creditor protections (as detailed in the enclosed) to EDC should the SSL DIP be approved by the Court on the June 10 Motion (“**Secured Creditor Protections**”).

These amendments to the SSL DIP together with the Secured Creditor Protections make the SSL DIP undeniably the DIP proposal that is least prejudicial to stakeholders and preserves the status quo. The SSL DIP is a superior offer to the Third Party DIP, including for the duration of the interim financing period for, among other things, the following reasons:

- It contains no exclusivity provisions unlike the Third Party DIP;
- There is no prohibition on hedging which will allow the Company to enter into value maximizing and protective hedging contracts;
- The cost of the SSL DIP is slightly lower, including for the period until June 30, as demonstrated by the analysis provided to the Monitor by counsel to the Ad Hoc Committee earlier today;
- The Senior Secured Lenders represent 100% of the first secured lenders of the Company and almost 90% of the Company’s remaining secured creditors;
- The Senior Secured Lenders are offering appropriate protections to EDC as the remaining 10% secured lender.

In the circumstances, we would ask that the Monitor’s report to the Court for the June 10 Motion, include the enclosures, being the revised SSL DIP and Secured Protections, and reflect these terms when comparing the two DIP financing options available to the Company.

We would also reiterate our position set out in our letter of May 30, 2026, that the revised SSL DIP should be accepted as the successful DIP under the DIP solicitation process. The Senior Secured Lenders remain

ready to move immediately upon acceptance and welcome the opportunity to work with all parties toward a successful restructuring.

The Senior Secured Lenders reserve all of their rights regarding the DIP solicitation process and related matters, and to challenge, oppose, and seek to set aside any alternative DIP facility.

Yours truly,

Stikeman Elliott LLP



Maria Konyukhova  
Partner

MK/PY

cc: Paul, Weiss, Rifkind, Wharton & Garrison LLP, U.S. counsel to the First Secured Lenders  
Cassels Brock & Blackwell LLP, Canadian counsel to the AHG  
Akin Gump Strauss Hauer & Feld LLP, U.S. counsel to the AHG

Encl.

## DIP FACILITY LOAN AGREEMENT

DATED AS OF June ■, 2026

**WHEREAS** Baffinland Iron Mines Corporation and Baffinland Iron Mines LP (collectively, the "**Borrowers**") have requested the DIP Lenders (defined below) to provide funding in order to assist with proceedings under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**") that were commenced before the Ontario Superior Court of Justice – Commercial List (the "**Court**") in accordance with the terms and conditions set out herein (the "**CCAA Proceeding**");

**AND WHEREAS** the DIP Lenders have agreed to provide the DIP Facility (defined below) in accordance with the terms and conditions set out below.

**NOW THEREFORE**, in consideration of the foregoing and their respective representations, warranties, covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereby agree as follows:

1. **Defined Terms:** A capitalized term not defined in the body of this Agreement has the meaning ascribed to it in the Definitions section below.
2. **Interpretation:** In this Agreement, words signifying the singular number include the plural and *vice versa*, and words signifying gender include all genders. Every use of the word "including" in this Agreement is to be construed as meaning "including, without limitation".  
  
The division of this Agreement into Sections and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement.  
  
References in this Agreement to Sections or Schedules are to be construed as references to a Section or Schedule of or to this Agreement unless the context requires otherwise.
3. **Currency:** Unless otherwise stated, all monetary denominations shall be in lawful currency of the United States of America.
4. **Borrowers:** Baffinland Iron Mines Corporation ("**BIM Corp**") and Baffinland Iron Mines LP ("**Baffin LP**" and, together with BIM Corp, the "**Borrowers**").
5. **Guarantors:** Nunavut Iron Ore, Inc. and 12334992 Canada Inc. (collectively, the "**Guarantors**" and collectively with the Borrowers, the "**Obligors**").
6. **DIP Lenders:** The institutions described in Schedule A (on behalf of themselves and their affiliates and managed funds) hereby commit to provide the DIP Facility, on a several and not joint basis, in the respective amounts set forth adjacent to each such institution's name in Schedule A upon the

terms and conditions set forth in this Agreement (collectively, the “**DIP Lenders**”).

An institution acceptable to the Required DIP Lenders shall act as administrative agent and as collateral agent for the DIP Facility (in such capacities, the “**DIP Agent**”).

An institution acceptable to the Required DIP Lenders shall act as fronting lender (the “**Fronting Lender**”) pursuant to which the Fronting Lender shall fund each Advance on behalf of the DIP Lenders and subsequently assign such funded DIP Loans to the DIP Lenders pursuant to arrangements agreed by the Fronting Lender and each of the DIP Lenders. The Fronting Lender shall be a “DIP Lender” for all purposes herein so long as the Fronting Lender holds commitments in respect of the DIP Facility or any DIP Loans.

Upon the Borrowers’ acceptance of this Agreement, this Agreement shall be amended and restated to include the DIP Agent and the Fronting Lender as parties hereto and to, among other things, add customary agency provisions for the benefit of the DIP Agent and fronting lender provisions for the benefit of the Fronting Lender, in each case, that are acceptable to the Borrowers, the DIP Agent, the Required DIP Lenders and the Fronting Lender (solely with respect to the fronting lender provisions), in each case, acting reasonably.

7.       **DIP Facility:**       The DIP Lenders agree to establish in favour of the Borrowers a debtor-in-possession delayed draw term loan facility (the “**DIP Facility**” and, the loans thereunder, the “**DIP Loans**”) in the principal amount equal to \$300 million (the “**Loan Amount**”). No amount capitalized as principal hereunder shall reduce the availability of the full Loan Amount to the Borrowers.
  
8.       **DIP Advances:**       An initial advance under the DIP Facility in the aggregate principal amount of \$110 million (the “**Initial Advance**”) shall be made available to the Borrowers on the date that is one Business Day after the date of the Second Amended and Restated Initial Order, and no other advances shall be made during the four-week period following such Initial Advance (such period, the “**Bridge Period**”). The Initial Advance shall be advanced to the Borrowers subject to satisfaction of the Initial Advance Conditions. Interest shall accrue and be payable on the Initial Advance pursuant to the terms hereof.

Subsequent advances under the DIP Facility (each, a “**Subsequent Advance**”) shall be made available to the Borrowers following the Bridge Period and subject to satisfaction, at the time of each Subsequent Advance, of the Subsequent Advance Conditions, and shall be deposited into the Borrowers’ Account (defined below) every other week (or as otherwise agreed by the Borrowers and the Required DIP Lenders), with each Subsequent Advance being in an amount no less than \$20 million, in each case subject to the satisfaction of the Subsequent Advance Conditions (as defined below). The sum of the Initial

Advance and the Subsequent Advances shall not exceed the Loan Amount. The timing and amount of each Subsequent Advance shall be determined based on the funding needs of the Borrowers as set forth in the Approved Cash Flow Forecast, and Subsequent Advances shall only be available and provided hereunder after the Borrowers have received the entirety of the Initial Advance.

Advances under the DIP Facility, other than the Initial Advance (each, an "**Advance**") require a written notice to be delivered to the DIP Agent and the DIP Lenders, at least three (3) Business Days prior to the requested date of the Advance, or such shorter period as may be agreed by the Required DIP Lenders in advance (each, an "**Advance Notice**"), which has been executed by an officer of the Borrowers setting out: (a) the proposed amount of the requested Advance; (b) the date the Advance is required; and (c) certification that the representations and warranties contained herein are true and correct in all material respects as of such date.

Each Advance, on behalf of and at the request of each of the DIP Lenders, shall be provided by and funded to the DIP Agent by the Fronting Lender and subsequently assigned to the DIP Lenders pursuant to arrangements agreed by the Fronting Lender and each DIP Lender. The Fronting Lender shall deposit into the Borrowers' Account the amount requested by the Borrowers pursuant to the Advance Notice on the requested date of the Advance, net of all fees, costs and expenses to be paid in connection with such Advance pursuant to a funds direction to be delivered prior to the date of such Advance; provided that (x) with respect to the Initial Advance, the Initial Advance Conditions are satisfied as of such date and (y) with respect to each Advance after the Initial Advance, the applicable conditions described in this section 8 and the applicable Subsequent Advance Conditions are satisfied as of such date.

9. **Use of Proceeds:** The proceeds of the DIP Facility shall be used solely by the Borrowers in accordance with the Approved Cash Flow Forecast, which shall include provision for payment, in all respects subject to and to the extent included in the Approved Cash Flow Forecast, of (i) the fees of the Monitor and its counsel and counsel for the Obligors, (ii) interest, fees (including the Commitment/Funding Fee) and other amounts owing to the DIP Lenders under this Agreement, (iii) DIP Lender Expenses and ordinary course payments for the Borrowers' working capital needs during the CCAA Proceeding, including, post-filing accounts payable in the ordinary course of the Business and Priority Payables and in respect of the pursuit of the SISF, (iv) royalty payments under each of the Royalty Agreements when due and payable under such Royalty Agreement; provided such Royalty Agreement is properly registered on title, and it has been determined by a court of competent jurisdiction in a final, non-appealable Order that royalty granted under such Royalty Agreement is a valid royalty at law and runs with the land but excluding, for the avoidance of doubt, any payments which are Prohibited Payments, (v) cash collateral required to support letters of credit issued by financial institutions, (vi) Pre-Approved

Steensby CapEx, and (vii) amounts payable under the Benefits Agreement. Without the prior written consent of the Required DIP Lenders (subject to the Supermajority DIP Lender Budget Consent Right), no proceeds may be used, and no expenditures shall be made, for any purpose that is not included in the Approved Cash Flow Forecast. The foregoing list is illustrative and shall be subject to, and not construed as superseding in any respect, the prohibitions on payments provided for in Section 26 hereof and the consent rights of the DIP Lenders with respect to the Approved Cash Flow Forecast.

10. **Assignment by the Borrowers:** The Borrowers shall not be permitted to assign their interests in this Agreement without the prior written consent of each DIP Lender.
11. **Evidence of Indebtedness:** The DIP Agent shall maintain a register evidencing Advances and repayments under the DIP Facility and all other amounts owing from time to time hereunder. The DIP Agent register constitutes, in the absence of manifest error, *prima facie* evidence of the Indebtedness of the Borrowers to the DIP Lenders pursuant to the DIP Facility.
12. **Interest; Fees** All amounts owing by the Borrowers hereunder to the DIP Lenders on account of the principal, overdue interest and expenses shall bear interest at a rate per annum equal to Adjusted Term SOFR (which, for purposes of this Agreement, shall have the meaning given to such term in the Senior Credit Agreement, treating the DIP Loans as SOFR Loans thereunder and utilizing a one-month Interest Period as set forth below) plus 7.00%, payable entirely in cash on each Interest Payment Date (the "**Interest Rate**"). To the extent permitted by Law, effective upon the occurrence of and during the continuance of an Event of Default, all outstanding amounts owing to the DIP Lenders hereunder by the Borrowers on account of principal, overdue interest and expenses shall bear interest at the Interest Rate plus an additional 2% per annum (the Interest Rate, as increased, the "**Default Rate**").

All interest hereunder shall be computed on the basis of a year of 360 days and shall accrue and be calculated daily and payable in cash, monthly in arrears on the last Business Day of each month (each, an "**Interest Payment Date**"); provided that unless otherwise agreed by the Required DIP Lenders, interest accruing at the Default Rate shall be payable in cash on demand, both before and after demand and judgment.

In the case of an Advance, the first "**Interest Period**" shall commence on and include the date of such Advance and shall end on and exclude the next following Interest Payment Date. Thereafter, in the case of such Advance, the Interest Period shall commence on and include the Interest Payment Date and end on and exclude the next Interest Payment Date or the Maturity Date, whichever is earlier.

On the date which is 60 days following the date on which the Initial Advance is made, the Borrowers shall, solely to the extent the DIP Facility has not been repaid or refinanced in full in cash as of such date, pay a fee

(the “**Commitment/Funding Fee**”) of 3.00% of the Loan Amount to the DIP Lenders on a pro rata basis, which such Commitment/Funding Fee shall be payable in kind and capitalized on the principal amount of the DIP Loans on such date.

The Commitment/Funding Fee shall constitute part of the DIP Obligations, shall be secured by the DIP Charge, and shall bear interest at the Interest Rate (or, after the occurrence and during the continuance of an Event of Default, the Default Rate).

The DIP Lenders hereby confirm that no additional fees will be accrued in the event of any amendment, consent, waiver or accommodations that the DIP Lenders may agree to provide, in their sole discretion, pursuant to the terms hereof, other than reasonable, documented, out-of-pocket expenses in connection with the implementation of such amendment, consent, waiver, or accommodation or additional interest and fees that accrue solely from any increase in the Loan Amount.

13.     **Other Costs and Expenses:**     The Borrower shall pay (either in cash or through Deemed Draws, as defined below) all reasonable and documented third-party out-of-pocket costs and expenses of the DIP Agent, each DIP Lender and the Fronting Lender for all due diligence and all reasonable and documented fees, out-of-pocket expenses and disbursements of advisors (which, for the avoidance of doubt, shall include (i) Stikeman Elliott LLP, as counsel to the Senior Lenders, (ii) Paul, Weiss, Rifkind, Wharton & Garrison LLP, as special counsel to the Senior Lenders, (iii) a financial advisor to the Senior Lenders, (iv) Akin Gump Strauss Hauer & Feld LLP, as counsel to the Holder AHG, (v) Cassels Brock & Blackwell LLP, as counsel to the Holder AHG and (vi) Houlihan Lokey, as financial advisor to the Holder AHG), incurred in connection with the preparation, negotiation and consummation of this Agreement or any other Restructuring Transaction, the administration of the DIP Facility and participation in the CCAA Proceeding, including any reasonable and documented third-party costs and out-of-pocket expenses incurred by the DIP Agent, the DIP Lenders and the Fronting Lender in connection with the enforcement of any of the rights and remedies available hereunder or under the DIP Security (collectively, the “**DIP Lender Expenses**”). The DIP Lender Expenses shall form part of the DIP Obligations secured by the DIP Charge (as defined below). The Borrowers may, by providing notice to the DIP Lenders, opt to have DIP Lender Expenses paid directly by the applicable DIP Lender to its advisors, *provided* that any such payment by any DIP Lender to any such advisor will result in a dollar-for-dollar increase in the Loan Amount and in the principal amount outstanding under the DIP Facility owed to the applicable paying DIP Lender, effective as of the date of such payment (a “**Deemed Draw**”).
14.     **Approved Cash Flow Forecast:**     Attached hereto as Schedule B is a detailed cash flow projection (the “**Initial Cash Flow Forecast**”), which is in form and substance satisfactory to the Required DIP Lenders and which may include, *inter alia*, provision for payments on account of any interest and expenses

which may be payable under the DIP Facility, rent and other occupancy costs, supplier payments, cash collateral required to support letters of credit issued by financial institutions, post-filing accounts payable in the ordinary course of the Business, Priority Payables, payments of amounts payable under the Royalty Agreements (provided such Royalty Agreement is properly registered on title, and it has been determined by a court of competent jurisdiction in a final, non-appealable Order that royalty granted under such Royalty Agreement is a valid royalty at law and runs with the land but excluding, for the avoidance of doubt, any payments which are Prohibited Payments) and the Benefits Agreement, and the costs and expenses associated with the CCAA Proceeding. The foregoing list is illustrative and shall be subject to, and not construed as superseding in any respect, the prohibitions on payments provided for in Section 26 hereof and the consent rights of the DIP Lenders with respect to the Approved Cash Flow Forecast.

The Borrowers, with the assistance of the Monitor, shall, from time to time as required by this Agreement, present the DIP Lenders with a revised cash flow forecast in a substantially similar form (the "**Updated Cash Flow Forecast**"). Upon the written approval of the Required DIP Lenders (subject to the Supermajority DIP Lender Budget Consent Right), the Updated Cash Flow Forecast shall thereafter be deemed to be the effective cash flow forecast (the "**Approved Cash Flow Forecast**") for the purposes hereof. Until such time as the Required DIP Lenders (subject to the Supermajority DIP Lender Budget Consent Right) approve an Updated Cash Flow Forecast, the prior Approved Cash Flow Forecast shall remain in effect, with disbursement lines in the Operating Disbursements section (each, an "**OpEx Cost**") set forth in the then applicable Initial Cash Flow Forecast or Approved Cash Flow Forecast, as applicable, being rolled forward at the end of the period covered by such prior Approved Cash Flow Forecast, and all other line items being limited to any unused portion of the amount set forth for such line item in the prior Approved Cash Flow Forecast. The DIP Lenders shall be under no obligation to approve any Updated Cash Flow Forecast notwithstanding any prior approval of any prior or then-current Approved Cash Flow Forecast, recognizing that if no such approval is given the then-prior Approved Cash Flow Forecast shall remain in effect subject to the foregoing limitations.

Notwithstanding any other provision of this Agreement, neither the DIP Agent nor the DIP Lenders shall be obligated to make any advance under the DIP Facility unless the Borrowers are in compliance with the Approved Cash Flow Forecast (which may, for the avoidance of doubt and in the event that a Subsequent Cash Flow Forecast is not approved as required hereunder, be the prior Approved Cash Flow Forecast subject to the limitations on rolling-forward set forth above).

The DIP Lenders agree to approve allocations in the Approved Cash Flow Forecasts in respect of capital expenditures for the Steensby Railway project and related financing process (the "**Steensby Expansion**") and exploration costs in an aggregate amount not to exceed the Pre-Approved Steensby CapEx amount. This obligation shall not require and shall not

be construed as requiring any approvals in any respect in excess thereof; *provided* that the DIP Lenders shall, subject to agreement with the Borrowers on the terms of the SISP, the views of their financial advisors, and further understanding regarding non-discretionary spending with respect to the Steensby Expansion and exploration costs, discuss with the Borrowers approving additional amounts to be allocated to the Steensby Expansion and exploration costs with such allocations to remain subject to the Required DIP Lenders' sole discretion (subject to the Supermajority DIP Lender Budget Consent Right); *provided, however*, that the DIP Lenders shall agree to approve additional capital expenditures in connection with the Steensby Expansion or any additional exploration costs at such time as the Borrowers have (i) obtained one or more bona fide, binding, irrevocable bids in the SISP that provide for (A) the repayment in full in cash of the DIP Facility and the obligations under the Senior Credit Agreement and the Senior Secured Notes on or prior to the closing of such sale transaction, and (B) the consent of such bidder(s) to pursue the Steensby Expansion and further exploration, with a plan for execution which is reasonably acceptable to the Required DIP Lenders; (ii) submitted to the DIP Lenders supporting plans including engineering, design and operations acceptable to the Required DIP Lenders; and (iii) liquidity which is reasonably acceptable to the Required DIP Lenders; *provided, however*, that the approval of the Supermajority DIP Lenders shall be required with respect to allocations of more than \$95 million to the Steensby Expansion or exploration in any Updated Cash Flow Forecast (the "**Supermajority DIP Lender Budget Consent Right**").

15. **Conditions  
Precedent to  
the Initial  
Advance:**

The DIP Lenders' obligation to make the Initial Advance hereunder from the Loan Amount is subject to, and conditional upon, the satisfaction of all of the following conditions precedent (the "**Initial Advance Conditions**"):

- (a) the Court shall have issued the Second Amended and Restated Initial Order in form and substance satisfactory to the DIP Agent, the Required DIP Lenders and the Fronting Lender, acting reasonably, among other things:
  - (i) authorizing and approving this Agreement;
  - (ii) granting the DIP Charge and the priority of the DIP Charge contemplated in this Agreement;
  - (iii) granting a stay of proceedings until a date that is at least nine (9) weeks after the date of the Second Amended and Restated Initial Order; and
  - (iv) providing for provisional execution, or other protection satisfactory to the Required DIP Lenders, in respect of any and all Advances made and/or Liens and/or charges granted for the DIP Loans, including the DIP Charge;

and the operation and effect of such order shall not have been stayed, amended, modified, reversed, waived, dismissed or appealed (or any such appeal shall have been dismissed with no further appeal therefrom or the applicable appeal periods shall

have expired) and no notices of the foregoing shall have been filed, unless otherwise agreed by the Required DIP Lenders, in their sole discretion;

- (b) the DIP Lenders shall have received an Advance Notice in accordance with the terms hereof;
- (c) no Default or Event of Default shall have occurred and be continuing or will occur as a result of the Initial Advance;
- (d) there shall be no Encumbrances on the Collateral ranking in priority to or *pari passu* with the DIP Charge other than as expressly permitted by the terms hereof; and
- (e) the Obligors shall have delivered to the DIP Agent customary officer's certificates and authorizing directors' resolutions, in form and substance satisfactory to the Required DIP Lenders.

16. **Conditions  
Precedent to  
Subsequent  
Advances:**

The DIP Lenders' agreement to make Subsequent Advances is subject to, and conditional upon, the satisfaction of all of the following conditions precedent (the "**Subsequent Advance Conditions**"):

- (a) the Second Amended and Restated Initial Order shall not have been stayed, amended, modified, reversed, waived, dismissed or appealed (or any such appeal shall have been dismissed with no further appeal therefrom or the applicable appeal periods shall have expired) and no notices of the foregoing shall have been filed, unless otherwise agreed by the Required DIP Lenders, in their reasonable discretion;
- (b) the DIP Lenders shall have received an Advance Notice in accordance with the terms hereof;
- (c) all reasonable and documented third-party expenses payable to the DIP Agent, the DIP Lenders and the Fronting Lender hereunder have been paid by the Borrowers in cash or via a Deemed Draw, or will be paid from the proceeds of the requested Advance on the date of the applicable Advance;
- (d) there shall be no Encumbrances on the Collateral ranking in priority to or *pari passu* with the DIP Charge other than as expressly permitted by the terms hereof;
- (e) no Default or Event of Default shall have occurred and be continuing or will occur as a result of the requested Advance; and
- (f) the Borrowers are in compliance with the Approved Cash Flow Forecast (subject to Permitted Variances) as of the date of the proposed Subsequent Advance (which may, for the avoidance of doubt and in the event that a Subsequent Cash Flow Forecast is not approved as required hereunder, be the prior Approved Cash Flow Forecast subject to the limitations on rolling-forward set forth in Section 14 above).

17. **DIP Charge:** All of the obligations of the Obligors under or in connection with the DIP Facility, including without limitation, all principal, interest, fees and DIP Lender Expenses (collectively, the "**DIP Obligations**"), shall be secured by a Court-ordered charge on the Collateral in favour of the DIP Agent, for the benefit of the DIP Lenders (the "**DIP Charge**").
- The DIP Charge shall rank ahead of any and all Encumbrances on the Collateral other than (i) the administration charge not exceeding \$5.0 million, (ii) the directors and officers charge not exceeding \$20.4 million, and (iii) in respect of the Cash Collateral (as defined in the Amended and Restated Initial Order) (collectively, the "**Priority Charges**"), in each case unless otherwise consented by the Required DIP Lenders.
18. **DIP Security:** The Guarantors hereby guarantee in favour of the DIP Agent, for the benefit of the DIP Lenders, the payment and performance of the DIP Obligations of the Borrowers pursuant to the terms set forth in Schedule C hereto.
- The DIP Lenders shall be permitted to request DIP Security (in form and substance reasonably satisfactory to the Required DIP Lender) from the Obligors at any time. The DIP Security shall continue as a first priority Encumbrance on the Collateral in favour of the DIP Agent, for the benefit of the DIP Lenders, subject to subordination only in respect of the Priority Charges and Priority Payables. For greater certainty, the delivery of DIP Security shall not be a condition precedent to the Initial Advance or any other advances of the Loan Amount as set out in sections 15 and 16.
19. **Hedging Program** The Borrowers will use best efforts to implement a hedging program, working in consultation with the DIP Lenders, to manage volatility and protect the cost position of the business including, without limitation, with respect to iron ore and fuel.
20. **Borrowers' Account:** Advances shall be deposited into a bank account to be designated by the Borrowers (the "**Borrowers' Account**") and utilized by the Borrowers in accordance with the terms of this Agreement. At the request of the DIP Lenders, the Borrowers shall put in place a blocked account agreement in favour of the DIP Agent (for the benefit of the DIP Lenders) thereon on such terms as are acceptable to the Required DIP Lenders, in their discretion. Any such blocked account agreement shall not impose a payment block unless the Required DIP Lenders (or the DIP Agent acting at the instruction of the Required DIP Lenders) provide instruction to impose such a block, which instruction may not be given unless an Event of Default has occurred and is continuing.
21. **Repayment and Maturity Date:** All DIP Obligations shall be due and payable on the earliest of the occurrence of any of the following:
- (a) conversion of the CCAA Proceeding into a proceeding under the *Bankruptcy and Insolvency Act* (Canada);

- (b) the occurrence of an Event of Default and a demand for payment by the DIP Agent (at the request of the Required DIP Lenders) following such occurrence and the expiration of any applicable cure period if such Event of Default is continuing as of the date of such request, unless the Required DIP Lenders (or the DIP Agent acting at the direction of the Required DIP Lenders) shall have rescinded such demand for payment;
- (c) the closing of a Restructuring Transaction or combination of Restructuring Transactions; or
- (d) the date that is twelve (12) months after the granting of the Second Amended and Restated Initial Order, subject to the extensions set forth below (the "**Stated Maturity Date**")

(such earliest date, the "**Maturity Date**").

The Stated Maturity Date may be extended two times (without counting the Additional Extension, as defined below) by the Borrowers for up to three (3) months each time, provided that (i) the Borrowers deliver a written extension request to the DIP Agent not less than ten (10) days prior to the then applicable Stated Maturity Date, (ii) no Default or Event of Default exists on the then applicable Stated Maturity Date, (iii) the Borrowers shall have paid an extension fee (the "**Extension Fee**") on the date of each such extension equal to two percent (2%) of the DIP Loans outstanding at such time, payable in-kind on the date of such extension to the DIP Agent on behalf of the DIP Lenders on a pro rata basis and capitalized on the principal amount of the DIP Loans as of such date and (iv) the Borrowers shall have provided to the DIP Agent and the DIP Lenders an Updated Cash Flow Forecast as approved by the Monitor and which shall be in form and substance satisfactory to the Required DIP Lenders (subject to the Supermajority DIP Lender Budget Consent Right), through and including the date to which the Stated Maturity Date is extended; *provided* that if a binding offer has been obtained in the SISF which is acceptable to the Required DIP Lenders prior to the Maturity Date and at the time such an extension is sought, the Borrowers may, only once and subject to satisfaction of the requirements set forth in the foregoing provisos (i), (ii), and (iv), extend the Maturity Date for an additional three (3) months (the "**Additional Extension**") without paying an Extension Fee for such extension.

The DIP Lenders' commitment to make Advances under the DIP Facility shall expire on the Maturity Date and all amounts outstanding under the DIP Facility shall be fully repaid no later than the Maturity Date, without the DIP Lenders being required to make demand upon the Borrowers or Guarantors or to give notice that the DIP Facility has expired and that the obligations thereunder are due and payable.

22. **Payments:**

All payments of principal, interest and expenses hereunder, if applicable, shall be made for value in the full amount due at or before 12:00 noon on the day such amount is due by deposit or transfer thereof to the DIP Agent or as the DIP Lenders may direct. Payments received after such time shall

be deemed to have been made on the next following Business Day. If any payment is due on a day which is not a Business Day, such payment shall be due on the next following Business Day and interest shall accrue until but excluding the actual date of payment. Each payment to be made by the Borrowers under this Agreement shall be made in full without deduction, set-off or counterclaim of any kind or for any reason. If any expenses incurred by the Borrowers after the date of this Agreement are not paid by the Borrowers, the DIP Agent may, but shall have no duty to do so, pay all such expenses whereupon such amounts shall be added to and form part of the DIP Obligations and shall reduce the availability under the DIP Facility. 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 (for greater certainty, net of transaction fees and applicable taxes in respect thereof), or any insurance proceeds (net of expenses incurred by the applicable Obligor in connection therewith, including transaction fees and applicable taxes in respect thereof) (each "**Net Proceeds**") paid to the Borrowers or Guarantors in respect of Collateral, shall be paid to the DIP Agent (for the benefit of the DIP Lenders) and applied to prepay the DIP Obligations (or, if no DIP Obligations are then outstanding, reduce the commitments of the DIP Lenders ratably) in an amount equal to the Net Proceeds of such sale, realization, disposition or insurance proceeds. Any such amount repaid may not be reborrowed.

Notwithstanding the foregoing, in lieu of such prepayment, the applicable Obligor shall be permitted to apply such Net Proceeds within 30 days after the receipt thereof by such Obligor to, or to contract to, repair or replace the affected Collateral, subject to such Obligor's written notice thereof to the DIP Lenders promptly following the sale, realization, disposition or casualty event in respect of insurance proceeds; *provided*, that any Net Proceeds shall be held in a segregated account until such time as they are utilized for repayment or reinvestment as permitted in this Section 22, and not otherwise disbursed.

23. **Indemnity;  
Limitation of  
Liability:**

The Obligors agree to indemnify and hold harmless the DIP Agent, the DIP Lenders, the Fronting Lender and their respective Affiliates, partners and officers, directors, employees, representatives, advisors, solicitors and agents (collectively, the "**Indemnified Persons**") from and against any and all actions, lawsuits, proceedings (including any investigations or inquiries), claims, losses, damages, liabilities or reasonable and documented third-party expenses of any kind or nature whatsoever which may be incurred by any of the Indemnified Persons (collectively, the "**Claims**") as a result of, in connection with or in any way related to the DIP Facility, the priority of the DIP Charge, the proposed or actual use of the proceeds of the DIP Facility or this Agreement; provided, however, that the Obligors shall not be obligated to indemnify pursuant to this paragraph any Indemnified Person against any Claim (a) to the extent it resulted from the gross negligence, wilful misconduct, bad faith, or material breach of this Agreement of any Indemnified Person as finally

determined by a court of competent jurisdiction, or (b) 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 Obligors. Notwithstanding anything to the contrary herein, the indemnities granted under this Agreement shall survive any termination of the DIP Facility.

No party hereto shall be liable to any other party hereto for consequential, special, or punitive damages arising under this Agreement.

24. **Representations and Warranties:** Each Obligor represents and warrants to the DIP Agent and DIP Lenders, upon which the DIP Agent and each of the DIP Lenders has relied in entering into this Agreement that:
- (a) such Obligor is validly formed and existing under the laws of its jurisdiction of incorporation or formation;
  - (b) such Obligor has the power and capacity to own or lease and operate its property, to carry on its business, and subject to Court approval of this Agreement, to enter into, execute, deliver and perform its obligations under this Agreement;
  - (c) such Obligor has taken all necessary action to authorize the execution, delivery and performance of this Agreement. Subject to the issuance of the Second Amended and Restated Initial Order and the terms thereof, no consent or authorization of, filing with, notice to or any other act by, or in respect of, any governmental authority or other person is required in connection with the extensions of credit hereunder or with the execution, delivery, performance, validity, or enforceability of this Agreement;
  - (d) this Agreement and the transactions contemplated by this Agreement:
    - (i) are within the powers of such Obligor and, subject to the granting of the Second Amended and Restated Initial Order, constitute legal, valid and binding obligations of such Obligor, enforceable against it in accordance with the terms hereof;
    - (ii) have been duly authorized, executed and delivered by or on behalf of such Obligor; and
    - (iii) subject to the granting of the Second Amended and Restated Initial Order, as applicable, do not and will not conflict with, contravene, violate or result in a breach of: (A) any of the terms or provisions of such Obligor's constituting documents or by-laws, (B) any Material Contracts to which such Obligor is a party or pursuant to which any of its assets or property may be affected or (c) any applicable Law;
  - (e) The Business has been and will continue to be conducted in material compliance with all applicable Laws and Authorizations of each jurisdiction in which the Business has been or is being carried on subject to the provisions of the CCAA and any Court order made after the date of the Initial Order;

- (f) such Obligor owns, leases or has the lawful right to use all of the material properties and undertaking necessary for the conduct of the business of such Obligor;
- (g) such Obligor has obtained and/or maintained any material Authorizations for the operation of the Business, which Authorizations remain, and after entering into the DIP Facility will remain, in full force and effect, and no proceedings have been commenced to revoke or amend any such Authorizations;
- (h) such Obligor does not have any defined benefit pension plans or similar plans and is in material compliance with all applicable Law respecting its employees' employment and all collective bargaining agreements to which it is a party or otherwise bound;
- (i) such Obligor is current on its material post-filing payment obligations for rent and other occupancy costs and expenses in respect of any premises that it leases;
- (j) all of such Obligor's material obligations (including fiduciary, funding, investment and administrative obligations, if any) required to be performed in connection with such Obligor's employee benefit plans have been performed on a timely basis;
- (k) such Obligor has filed all Tax returns which were required to be filed and paid all Taxes (including interest and penalties) which are due and payable, except for charges, fees, or dues which are not material in amount or which are not delinquent or, if delinquent, are being contested in good faith if adequate reserves for payment of such obligations in the event that such contests are unsuccessful;
- (l) such Obligor and each of its subsidiaries has good and valid title to, or legally binding property right in, or valid leasehold interests in, all material real property necessary or used in the ordinary conduct of its business, in each case free and clear of all Encumbrances other than Permitted Liens and except for minor defects in title as would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the operations or financial condition of the Obligors taken as a whole;
- (m) all information provided by or on behalf of such Obligor to the DIP Lenders, including with respect to the Steensby Expansion and the status of the SISP, for the purposes of or in connection with this Agreement or any transaction contemplated herein, is true and accurate in all material respects on the date as of which such information was provided, not incomplete and does not omit to state any fact necessary to make such information (taken as a whole) not materially misleading at such time, in light of the circumstances under which such information was provided;
- (n) none of the Obligors owns or controls, directly or indirectly, any subsidiaries which are not Obligors;

- (o) each Obligor maintains adequate insurance coverage, as is customary with companies in the same or similar business 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;
- (p) except for those defaults which are stayed by the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order, or as disclosed to the DIP Lenders in writing on or after the date hereof, all Material Contracts are in full force and effect and are valid, binding and enforceable in accordance with their terms, and the Obligors do 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 Obligors or any of their affiliates or the commencement of the CCAA Proceeding);
- (q) except as disclosed to the DIP Lenders in writing on or after the date hereof, there are no agreements of any kind (i) between the Obligors and any other third party or any holder of debt or Equity Securities of the Obligors with respect to any Restructuring Transaction, which remain in force and effect as of the date hereof, or (ii) between the Borrowers and any related party;
- (r) other than potential proceedings in connection with the Second Amended and Restated Initial Order to be sought by the Borrower, or this DIP Facility, or as stayed pursuant to the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order, there is not now pending or, to the knowledge of any of the senior officers of the Obligors, threatened against the Obligors, nor has any Obligor received notice in respect of, any claim, potential claim, litigation, action, suit, arbitration or other proceeding by or before any court, tribunal, governmental entity or regulatory body, in each case that would reasonably be expected to be material and adverse to the Obligors, taken as a whole;
- (s) each Obligor has maintained and paid current its material obligations, as applicable, 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; and
- (t) no Default or Event of Default has occurred and is continuing.

25. **Affirmative Covenants:**

In addition to all other covenants and obligations contained herein, each Obligor agrees and covenants to perform and do each of the following until the DIP Facility is fully repaid or assigned with the written consent of the Required DIP Lenders:

- (a) submit to the Court the Second Amended and Restated Initial Order, and any other Court orders which are being sought by the Obligors in a form confirmed in advance to be satisfactory to the

- Required DIP Lenders subject to any amendments that are required by the Court that are acceptable to the Required DIP Lenders (acting reasonably);
- (b) materially comply with the provisions of all Court orders made in the CCAA Proceeding, including the Initial Order, Amended and Restated Initial Order and the Second Amended and Restated Initial Order;
  - (c) use commercially reasonable efforts to allow each of the DIP Agent, DIP Lenders and their respective employees, agents, advisors and representatives access to all Collateral, information and documentation of the Obligors, to visit, inspect and conduct examinations of any of such Collateral, information and documentation (including any books and records) and discuss its business operations, properties and financial and other conditions with its officers, employees and independent public accountants, in each case, as may be reasonably requested by the DIP Agent or Required DIP Lenders, during normal business hours, in each case subject to applicable privacy laws and solicitor-client privilege; *provided* that visits to Nunavut by any of the foregoing parties shall be subject to such limitations as the Borrowers reasonably determine are necessary including due to cost, interference with operations, sealift, shipping season, and the SISP;
  - (d) preserve, renew, maintain and keep in full force its corporate existence and its material Authorizations required in respect of the Business or any of the Collateral;
  - (e) keep the DIP Lenders apprised on a timely basis of all material developments with respect to the Business and affairs of the Obligors, including with respect to updates regarding the CCAA Proceeding, the SISP, and the Steensby Expansion;
  - (f) conduct the Business and preserve, protect and maintain the Collateral in the ordinary course of Business and in all material respects in accordance with applicable Law and all Court orders made in the CCAA Proceeding, including the Initial Order, Amended and Restated Initial Order and the Second Amended and Restated Initial Order;
  - (g) except to the extent otherwise agreed by the DIP Lender (acting reasonably), preserve the Collateral and avoid any Encumbrance thereon;
  - (h) promptly notify the DIP Lenders of the occurrence of any Default or Event of Default;
  - (i) use the proceeds of the DIP Facility in a manner consistent with the restrictions set out herein and in all cases in accordance with the Approved Cash Flow Forecast (subject to Permitted Variances);

- (j) duly and punctually pay or cause to be paid to the DIP Agent on behalf of the DIP Lenders all principal, interest, fees, and other amounts payable by it under this Agreement on the dates, at the places and in the amounts set forth herein;
- (k) on or prior to 5:00 p.m. (Toronto time) on the Monday of every fourth calendar week beginning after the date of this Agreement (each, a “**Testing Period**”), the Obligors shall have delivered to the DIP Agent and DIP Lenders (x) an Updated Cash Flow Forecast and (y) a Variance Report;
- (l) the Obligors shall have delivered to the DIP Lenders a business plan that is in form and substance satisfactory to the Required DIP Lenders, acting reasonably, by no later than September 30, 2026;
- (m) 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 Obligors 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 Agent to be listed as a loss payee or additional insured (as applicable) on such insurance policies and notify the DIP Lenders of any claims or losses exceeding \$2,000,000. The Approved Cash Flow Forecast shall permit funding sufficient to pay the premiums in respect of such insurance;
- (n) As soon as commercially reasonable but no later than July 15, 2026 (or such later date as may be agreed by the Borrowers and the Required DIP Lenders), the Obligors shall have entered into a key employee retention plan and/or a key employee incentive plan in form and substance acceptable to the Required DIP Lenders;
- (o) provide the DIP Agent and the DIP Lenders (by email to their counsel being sufficient) with draft copies of, and the opportunity to comment on, all motions, applications, proposed Court orders and other materials or documents that the Obligors intend to file in the CCAA Proceeding at least two (2) Business Days prior to 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 material or document is served on the service list in respect of the CCAA Proceeding;
- (p) promptly provide notice to the DIP Agent, the DIP Lenders and their counsel, and keep them otherwise apprised, of any material developments in respect of any Material Contract, and of any material notices, orders, decisions, letters, or other documents, materials, information or correspondence received from any regulatory authority having jurisdiction over any Obligor, in each case which would reasonably be expected to have a material adverse effect on the Obligors’ operations, business, or ability to perform under this Agreement and subject to any disclosure restrictions at Law or contained in any Court order or that, in the

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

- (q) take all commercially reasonable actions necessary or available to defend any Court orders in the CCAA Proceedings 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 Charge;
- (r) maintain all Authorizations during the term of the DIP Facility in full force and effect and use commercially reasonable efforts to defend each such Authorization against revocation or amendment thereof, including by complying with the terms thereof;
- (s) consult with the DIP Lenders from time to time at their reasonable request regarding which contracts are to be disclaimed in the CCAA Proceedings;
- (t) execute and deliver such loan and security documentation as may be reasonably requested by the DIP Agent or the Required DIP Lenders from time to time;
- (u) promptly pay or cause to be paid, as set forth in section 13 hereof, all DIP Lender Expenses no less frequently than every two weeks, provided that the DIP Lenders shall use commercially reasonable efforts to provide reasonable estimates of such expenses for purposes of the Approved Cash Flow Forecast; and
- (v) retain, within 15 Business Days of the end of the Bridge Period, and subsequently keep in place at all times, a chief restructuring officer, with customary powers and responsibilities, which is acceptable to the Required DIP Lenders.

26. **Negative Covenants:**

Each Obligor covenants and agrees not to do the following, and not to permit any of its subsidiaries to do the following, in each case other than with the prior written consent of the Required DIP Lenders from and after the date hereof:

- (a) make any payment of principal or interest in respect of Indebtedness (other than the DIP Facility) or declare or pay any dividends or make any other distribution in respect of its equity interests, in each case, except as expressly provided in the Approved Cash Flow Forecast (without regard to Permitted Variances);
- (b) except as set forth in any Court order that is acceptable, acting reasonably, to the Required DIP Lenders, incur or permit to exist any Indebtedness (including, without limitation, any capital lease obligation, equipment lease, financing lease obligation, or debtor in possession financing other than the DIP Facility) other than as expressly provided in the Approved Cash Flow Forecast (without regard to Permitted Variances);

- (c) except as set forth in any Court order that is acceptable to the Required DIP Lenders, acting reasonably, create, incur, or permit to exist any Encumbrance, or provide or seek to support a motion by another party to provide an Encumbrance, upon any of its properties or assets, in each case other than Permitted Liens;
- (d) make any payments or use any monies (including, without limitation, proceeds of the DIP Facility) outside of the ordinary course of Business, unless provided for in the Approved Cash Flow Forecast (subject to Permitted Variances) or to ensure ongoing supply of goods or services essential for the business;
- (e) make any investments in, acquisitions of, or loans to, or guarantee the Indebtedness or obligations of, any other Person, entity or assets, except as expressly provided in the Approved Cash Flow Forecast (without regard to Permitted Variances);
- (f) except between Obligors, enter into or continue performance under any transaction with any affiliate or any of its or its affiliates' respective direct or indirect equity holders, senior officers, directors, managers or employees, except in the ordinary course of business for a bona fide business purpose and not for any other purpose, except as expressly provided in the Approved Cash Flow Forecast (without regard to Permitted Variances); for certainty, nothing herein shall restrict the Obligors' rights to disclaim any of the above contracts or arrangements with related parties or associates or Affiliates of related parties in accordance with the CCAA;
- (g) enter into or continue performance under any transaction which does not provide for fair and reasonable terms which are no less favorable than those that would be obtained in arm's-length transactions of a similar type;
- (h) make any Prohibited Payments;
- (i) make any type of payment, or otherwise satisfy any claim, purported claim, liability, or other obligation, including without limitation of any pre-CCAA filing claim, that is not expressly provided for by the Approved Cash Flow Forecast;
- (j) change its jurisdiction of incorporation or registered office;
- (k) change its name, fiscal year end or accounting policies or amend its organizational documents;
- (l) cease to carry on the Business as currently being conducted or materially change its operations or business practices;
- (m) sell, assign, lease, convey or otherwise dispose of or transfer any material property, assets or undertakings, except for iron ore product or disposition of obsolete, redundant or ancillary assets or as may be approved by the Court with the prior written approval of the Required DIP Lenders;

- (n) except as otherwise required under any Court order which is acceptable to the Required DIP Lenders or as expressly provided for in the Approved Cash Flow Forecast or this Agreement, establish or make any retention or bonus payments, increase compensation or severance entitlements or other benefits payable to directors, senior officers or senior management, or pay any bonuses whatsoever;
- (o) enter into any settlement agreement or agree to any settlement arrangements with any regulatory authority or in connection with any material litigation, arbitration, other investigations, proceedings or disputes or other similar proceedings which are threatened or pending against the Obligor;
- (p) enter into any amalgamation, reorganization, liquidation, dissolution, winding-up, merger or other similar transaction or series of transactions, allow any change of control to occur, or create or acquire any new subsidiary or become a general partner in any partnership that does not provide for the full repayment of the obligations under the DIP Facility;
- (q) amend, supplement, revoke, terminate or discharge or seek to amend, supplement, revoke, terminate or discharge, the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order, except to amend and restate the Amended and Restated Initial Order as may be permitted by this Agreement;
- (r) apply for or consent to, any Court order, or amendment or modification to an existing Court order which adversely affects or would reasonably be expected to adversely affect the DIP Agent or the DIP Lenders;
- (s) file or support the confirmation of any plan of arrangement or liquidation, in each case, that treats the DIP Obligations as "affected" without the consent of the Required DIP Lenders;
- (t) cancel or terminate any Material Contract, without the prior written consent of the DIP Lender;
- (u) without the consent of the Required DIP Lenders, satisfy the delivery or other performance obligations and/or payment obligations under its contracts with Glencore plc or any of its affiliates, including, without limitation, any obligations to process or deliver iron ore;
- (v) take (or omit to take) any action to the extent such action would reasonably be expected to materially impair or otherwise adversely affect the ability of the Obligors to utilize any net operating losses, tax credit carry-forwards, built-in losses, basis, deductions or other tax attributes or benefits, in each case, without the prior written consent of the Required DIP Lenders;
- (w) issue any Equity Securities, create any new class of Equity Securities, amend any terms of its existing Equity Securities,

consent to or take any steps in furtherance of the exercise of any conversion right under any Equity Securities issued by it, or incorporate, create, or organize any new subsidiaries other than in connection with a Restructuring Transaction approved pursuant to a Court order which is acceptable to the Required DIP Lenders, acting reasonably; or

- (x) seek or consent to the lifting of the stay of proceedings in the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order, as applicable, in favour of the Borrowers, or seek or consent to the appointment of a receiver or trustee in bankruptcy or any similar official in any jurisdiction.

27. **Sales and Investment Solicitation Process; Expansion:**

Unless otherwise agreed by the Supermajority DIP Lenders, the Borrowers and the DIP Lenders agree that the Borrowers (in consultation with the Monitor and the DIP Lenders) shall pursue a sales and investment solicitation process in form and substance acceptable to the Borrowers and the Supermajority DIP Lenders (the "**SISP**") approved pursuant to a Court order in respect of potential Restructuring Transactions and any such SISP shall include the following milestones (collectively, the "**SISP Milestones**"):

- (a) the deadline for the commencement of the SISP will be no later than 3 months after the issuance of the Second Amended and Restated Initial Order;
- (b) the deadline for the receipt of first round bids in connection with the SISP will be no later than 6 months after the issuance of the Second Amended and Restated Initial Order;
- (c) the Borrowers shall complete all site visits for bidders prior to October 31, 2026; and
- (d) the final deadline for the closing of a transaction resulting from the SISP will be no later than 12 months after the commencement of the SISP,

provided that the Borrowers may extend each of the foregoing dates in accordance with the Court order approving the SISP, which Court order shall be in form and substance acceptable to the Supermajority DIP Lenders; provided further however that nothing herein shall prohibit the pursuit of a Restructuring Transaction pursuant to a Court approved plan at any time. For the avoidance of doubt, any DIP Lender or the DIP Agent may participate as a bidder in connection with any SISP in respect of potential Restructuring Transactions or Alternative Offtake and Service Agreements.

28. **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 Agreement:

- (a) any Court order is issued, dismissed, stayed, reversed, vacated, amended or restated and such issuance, dismissal, stay, reversal, vacating, amendment or restatement which (i) stays, reverses, vacates or otherwise modifies this Agreement or (ii) adversely

affects or would reasonably be expected to adversely affect the enforceability of this Agreement or the DIP Charge unless the DIP Agent or Required DIP Lenders, as applicable, have given their prior written consent thereto, including the issuance of a Court order:

- (i) appointing a receiver and manager, receiver, interim receiver or similar official in respect of an Obligor;
  - (ii) terminating, lifting or amending the stay imposed within the CCAA Proceeding in a manner which, in the opinion of the Required DIP Lenders, acting reasonably, is materially prejudicial to the DIP Lenders;
  - (iii) granting any other claim or Encumbrance of equal or priority status to that of the DIP Charge, other than the Priority Charges or the Priority Payables; or
  - (iv) prejudicially affecting the DIP Agent, DIP Lenders or the Collateral;
- (b) failure of an Obligor to diligently oppose any party that brings an application or motion for any of the relief set out in subsection 28(a) above;
  - (c) the CCAA Proceeding is terminated or converted to bankruptcy proceedings;
  - (d) failure of the Borrowers to (i) pay principal, interest or other amounts when due pursuant to this Agreement or any other document entered into in connection herewith, or (ii) pay or cause to be paid any reasonable and documented DIP Lender Expenses within two (2) Business Days of being invoiced therefor (either in cash or via Deemed Draws), *provided* that such invoices are delivered no more frequently than every two weeks;
  - (e) any Obligor ceases to carry on or maintain the Business or its assets in the ordinary course of the Business in compliance with the covenants contained in this Agreement, except where such cessation is otherwise consented to in advance in writing by the Required DIP Lenders;
  - (f) any representation or warranty made or given hereunder by any Obligor shall be incorrect or misleading in any material respect when made;
  - (g) any material violation or breach of any court order by an Obligor;
  - (h) failure of an Obligor to (x) perform or comply with any term or covenant of this Agreement or (y) achieve the SISF milestones in accordance with section 26;
  - (i) any proceeding, motion or application is commenced or filed by the Obligors, or if commenced by another party, is supported or otherwise consented to by the Obligors, seeking the invalidation,

- subordination or other challenging of the terms of the DIP Facility, the DIP Lenders' Charge, or this Agreement;
- (j) any Obligor makes any payments of any kind not permitted by this Agreement, the Approved Cash Flow Forecast or any order of the Court;
  - (k) any plan is filed or sanctioned by the Court in a form and in substance that is not acceptable to the Required DIP Lenders if such plan does not either provide for the repayment of the obligations under the DIP Facility in full by the Maturity Date, or designate the DIP Lenders as unaffected by such plan;
  - (l) any Obligor shall file a motion seeking, or take any action supporting a motion seeking, or the Court shall issue, an order, authorizing the sale or liquidation of substantially all or a material portion of its assets unless, in each case, either (i) the Required DIP Lenders consent to the filing of such motion, or (ii) the Court order approving such sale or liquidation contemplates payment in full in cash of all the DIP Obligations;
  - (m) any change of control of any one or more of the Obligors that does not provide for the full repayment in cash of the obligations under the DIP Facility without the consent of the Required DIP Lenders;
  - (n) any Obligor does not comply with any material term or condition of the SISP;
  - (o) the priority of the Liens as contemplated hereby created pursuant to or under the DIP Security in favor of the DIP Agent for the benefit of the DIP Lenders is varied without the consent of the DIP Agent at the direction of the DIP Lenders or any of such Liens does not have the priority required hereunder for any reason in any jurisdiction;
  - (p) any Obligor commences an action or any other proceeding in any proceeding or in any other court to (i) obtain any form of relief against the DIP Agent or DIP Lenders (or any one or more of them) including without limitation a proceeding to recover damages from the DIP Agent or the DIP Lenders or to obtain payment of any amounts purported to be owing by the DIP Agent or the DIP Lenders (or any one or more of them) to any Obligor if the DIP Agent or the DIP Lenders (or any one or more of them) disputes any of the same or (ii) challenge in any way the enforceability of this Agreement or any document entered in connection herewith or the Liens granted under or pursuant to the DIP Security; *provided*, for the avoidance of doubt, that an Obligor's enforcement of this Agreement against any DIP Lender shall not be an Event of Default under this clause 28(s);
  - (q) any Obligor seeks, or consents to, any amendment of the SISP without the prior written consent of the DIP Agent at the direction of the Supermajority DIP Lenders;

- (r) the expiry without further extension of the stay of proceedings in the CCAA Proceeding;
- (s) the denial or purported repudiation by any Obligor of the legality, validity, binding nature, or enforceability of this Agreement or any document entered into in connection herewith, or any Obligor commencing any action or proceeding in any proceeding for a declaration or order to such effect;
- (t) this Agreement or any other document entered into in connection herewith (and for certainty including without limitation the DIP Security) ceases to be enforceable;
- (u) except as stayed by order of the Court, the entry of one or more final judgements, writs of execution, garnishments or attachments representing a claim or claims in excess of \$500,000 or the equivalent amount thereof in any other currency, in the aggregate, against any Obligor or the property and assets of any Obligor which are subject to the Liens in favor of the DIP Agent for the benefit of the DIP Lenders that is not released, bonded, satisfied, discharged, vacated, stayed or accepted for payment by an insurer within 30 days after its or their entry, commencement or levy;
- (v) (i) a Variance Report or Updated Cash Flow Forecast is not delivered on the day on which such Variance Report or Updated Cash Flow Forecast is required to be delivered pursuant to this Agreement, or (ii) there shall exist any variance in excess of any Permitted Variance, including any Permitted Variance specific to any disbursement line item as set forth in the definition of "Permitted Variance"; or
- (w) the retaining or appointment of either (i) a chief restructuring officer or Person in a similar role or (ii) a Monitor with expanded powers, in each case other than with the prior consent of the Required DIP Lenders or pursuant to a Court order which is acceptable to the Required DIP Lenders.

29. **Remedies:**

Upon the occurrence and continuance of an Event of Default which is continuing on the date which is five (5) Business Days after the Borrower has received written notice of such Event of Default from the DIP Lender or the DIP Agent (acting at the direction of the Required DIP Lenders), the DIP Agent (acting at the direction of the Required DIP Lenders) or the Required DIP Lenders may elect on prior written notice to the Borrowers and the Monitor to:

- (a) set-off, consolidate or accelerate all amounts outstanding under the DIP Facility (including the Commitment/Funding Fee) and declare such amounts to be immediately due and payable;
- (b) terminate the DIP Facility;
- (c) apply for a Court order, on terms satisfactory to the Monitor and the Required DIP Lenders, providing the Monitor with the power,

in the name of and on behalf of the Borrowers, to take all necessary steps in the CCAA Proceeding to realize on the Collateral, including applying to the Court for the appointment of a receiver, interim receiver or receiver and manager over the Borrowers or all or certain of their Collateral, or for the appointment of a trustee in bankruptcy in respect of the Borrowers;

- (d) exercise the powers and rights of a secured party; and
- (e) exercise all such other rights and remedies available to the DIP Lenders hereunder, or pursuant to the Initial Order or otherwise in accordance with applicable Law.

The DIP Agent (acting at the direction of the Required DIP Lenders) may use (for certainty, on the instructions of the Required DIP Lenders in accordance with the definition thereof and section 34) any or all of the DIP Obligations as a credit bid and/or to pay for some or all of the purchase price (including any deposit payable in connection with such transaction) in connection with (a) any purchase of some or all of the properties and assets of the Borrowers and the Guarantors (or any one or more of them), (b) any Restructuring Transaction agreed to by the Borrowers (in consultation with the Monitor) and the Required DIP Lenders, in each case subject to any Court order and such reasonable terms and conditions as may be required in the opinion of the Borrowers (in consultation with the Monitor), each acting reasonably, to protect the Borrowers' restructuring process.

30. **Taxes:**

All payments by an Obligor under this Agreement, including any payments required to be made from and after the exercise of any remedies available to the DIP Agent and/or the DIP Lenders upon the occurrence and continuance of an Event of Default, shall be made free and clear of, without reduction for or on account of, any present or future 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 Agreement, the amounts 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 hereunder at the rate or in the amount specified hereunder and the Obligors shall provide evidence satisfactory to the Required DIP Lenders that the Taxes have been so withheld and remitted.

If the Borrowers pay an additional amount to the DIP Lenders to account for any Withholding Taxes, the DIP Lenders shall reasonably cooperate with the Borrowers 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 Borrowers promptly. If reasonably requested by the Borrowers, 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 Borrowers and

assist the Borrowers to minimize the amount of Withholding Tax required, in each case at the Borrowers' sole expense.

31. **Termination by Borrowers** The Borrowers shall be entitled to terminate this Agreement upon notice to the DIP Lenders 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 Borrowers and the DIP Lenders under this Agreement 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 Agreement.
32. **Further Assurances:** The Obligors shall, at their own expense, from time to time do, execute and deliver or will cause to be done, executed and delivered, all such further acts, documents (including, without limitation, certificates, declarations, affidavits, reports and opinions) as the Required DIP Lenders may reasonably request for the purpose of giving effect to this Agreement.
33. **Entire Agreement:** This Agreement constitutes the entire agreement between the parties related to the subject matter hereof. To the extent there is any inconsistency between this Agreement and any other documents entered into in connection herewith, this Agreement shall prevail.
34. **Amendments and Waivers:** 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 Agreement.
- All consents, waivers or amendments to or in connection with this Agreement and the DIP Facility and the transactions contemplated hereby or thereby must be in writing and if approved in writing by the DIP Agent at the direction of the Required DIP Lenders shall be binding on all of the DIP Lenders including those Lenders which did not execute any such consent, waiver or amendment; and any matters, documents or other things required to be acceptable or satisfactory to the DIP Lenders are and shall be deemed to be acceptable and satisfactory to all the DIP Lenders if acceptable or satisfactory to the DIP Agent at the direction of the Required DIP Lenders; provided that and for certainty, no consent, waiver or amendment shall be binding on the DIP Lenders unless each of the DIP Lenders executes a consent, waiver or amendment for any of the following matters: (a) increase the amount of any Lender's DIP Facility commitment amount; (b) change to the Maturity Date other than as expressly provided for herein; (c) postpone or delay the date for payment of any principal, interest or other DIP Obligations; (d) reduce the principal

amount owing by the Borrowers or the rate of interest or any other fees applicable to amounts owing or to become owing hereunder or under the other documents in connection herewith; (e) change the pro rata commitments of any of the DIP Lenders in connection with the DIP Facility; (f) amend this section 34, the definition of "Required DIP Lenders", the definition of "Supermajority DIP Lenders" or any provision providing for consent or other action by all or any specific percentage or portion of the DIP Lenders; (g) discharge any Obligor from its payment obligations hereunder or under any other document in connection herewith or release any DIP Security except as may be expressly provided for in this Agreement; or (h) amend the terms and conditions of the application of proceeds of any repayments or the sharing of payments; provided further that any consent, amendment, waiver or other modification with respect to this Agreement that would adversely and disproportionately modify the rights of any DIP Lender (in its capacity as such) under the DIP Facility compared to other DIP Lenders shall require the prior written consent of each such affected DIP Lender. Notwithstanding anything to the contrary contained herein, any consent, amendment, waiver or other modification that subordinates, or has the direct or indirect effect of subordinating, (x) any DIP Obligations in right of payment to any other Indebtedness for borrowed money or (y) any Encumbrances securing the DIP Obligations to any Encumbrances securing any other Indebtedness for borrowed money, in each case, shall require the prior written consent of the Supermajority DIP Lenders.

In addition, the Required DIP Lenders shall consult all other DIP Lenders in connection with any consent, waiver, amendment or other modification requiring the consent of the Required DIP Lenders.

35. **Severability:** Any provision in this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.
36. **No Third Party Beneficiary:** No Person, other than the Obligors and the DIP Lenders are entitled to rely upon this Agreement and the parties expressly agree that this Agreement does not confer rights upon any party not a signatory hereto.
37. **Counterparts and Facsimile Signatures:** This Agreement may be executed in any number of counterparts delivered by e-mail, including in PDF format, each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same instrument. Any party may execute this Agreement by signing any counterpart of it.
38. **Assignment:** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. Any DIP Lender may assign its (i) rights and obligations under the DIP

Facility to any Eligible Assignee, and (ii) its rights with respect to outstanding DIP Loans; *provided* that such assignment does not release such DIP Lender from its obligations to make Advances hereunder subject to the terms and conditions hereof.

Notwithstanding anything to the contrary herein, any DIP Lender may, without the consent of any other party hereto, pledge or grant a security interest in all or any portion of its rights under this Agreement to secure obligations of such DIP Lender to any financing counterparty; *provided* that such pledge or grant of a security interest does not release such DIP Lender from any of its obligations hereunder (including its obligations to make Advances subject to the terms and conditions hereof) or substitute any such pledgee or grantee for such DIP Lender as a party hereto.

39. **Notices:**

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:

in the case of a notice to the Obligor at:

c/o Baffinland Iron Mines Corporation  
360 Oakville Place Dr., Suite 300  
Oakville, Ontario L6H 6K8

Attention: Mark O'Brien  
Email: [mark.obrien@baffinland.com](mailto:mark.obrien@baffinland.com)

with a copy (which shall not constitute notice) to:

Davies Ward Phillips & Vineberg LLP  
155 Wellington St. W.  
Toronto, ON M5V 3J7

Attention: Natalie Renner and Rob Nicholls  
Email: [nrenner@dwpv.com](mailto:nrenner@dwpv.com) and [rnicholls@dwpv.com](mailto:rnicholls@dwpv.com)

in the case of a notice to the DIP Agent at:

■

Attention: ■  
Email: ■

in the case of a notice to the DIP Lenders at the notice information set forth in Schedule A, with copies to:

Paul, Weiss, Rifkind, Wharton & Garrison LLP  
1285 Avenue of the Americas  
New York, NY 10019

Attention: Brian S. Hermann; Brian Bolin; Joseph M. Graham

Email: [bhermann@paulweiss.com](mailto:bhermann@paulweiss.com); [bbolin@paulweiss.com](mailto:bbolin@paulweiss.com);  
[jgraham@paulweiss.com](mailto:jgraham@paulweiss.com)

and

Stikeman Elliott LLP  
199 Bay St. #5300  
Toronto, ON M5L 1B9

Attention: Maria Konyukhova; Logan Copen  
Email: [mkonyukhova@stikeman.com](mailto:mkonyukhova@stikeman.com);  
[lcopen@stikeman.com](mailto:lcopen@stikeman.com)

and

Akin Gump Strauss Hauer & Feld LLP  
One Bryant Park  
New York, NY 10022

Attention: Ira Dizengoff; Meredith Lahaie; Lucas Charleston  
Email: [idizengoff@akingump.com](mailto:idizengoff@akingump.com);  
[mlahaie@akingump.com](mailto:mlahaie@akingump.com); [lcharleston@akingump.com](mailto:lcharleston@akingump.com)

and

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

Attention: Ryan Jacobs and Michael Wunder  
Email: [rjacobs@cassels.com](mailto:rjacobs@cassels.com) and [mwunder@cassels.com](mailto:mwunder@cassels.com)

In either case, with a copy to the Monitor:

FTI Consulting Canada Inc.

Attention: Jeffrey Rosenberg  
Email: [Jeffrey.rosenberg@fticonsulting.com](mailto:Jeffrey.rosenberg@fticonsulting.com)

With a copy to, which shall not constitute notice:

Osler, Hoskin & Harcourt LLP  
First Canadian Place, 100 King St. W. #6200  
Toronto, ON M5H 1H1

Attention: Marc Wasserman and Michael De Lellis  
Email: [mwasserman@osler.com](mailto:mwasserman@osler.com) and [mdelellis@osler.com](mailto:mdelellis@osler.com)

Any notice delivered or transmitted to a Person as provided above shall be deemed to have been given and received on the day it is delivered or

transmitted, provided that it is delivered or transmitted on a Business Day prior to 5:00 p.m. local time in the place of delivery or receipt. However, if the notice is delivered or transmitted after 5:00 p.m. local time or if such day is not a Business Day then the notice shall be deemed to have been given and received on the next Business Day.

In the event that any amount required to be paid hereunder is due on a day which is not a Business Day, such amount shall be paid on the next following Business Day with applicable interest adjustments.

40. **Governing Law and Jurisdiction:** This Agreement shall be governed by, and construed in accordance with, the Laws of the Province of Ontario and the federal Laws of Canada applicable therein.
41. **Definitions:** For the purposes of this Agreement, unless context otherwise requires, the following terms have the respective meanings set out below, and grammatical variations of such terms have corresponding meanings:
- "Advance"** has the meaning given to that term in section 8;
- "Advance Notice"** has the meaning given to that term in section 8;
- "Affiliate"** of any Person means, at the time such determination is being made, any other Person controlling, controlled by or under common control with such first Person, where "control" means the possession, directly or indirectly, of the power to direct the management and policies of such Person, whether through the ownership of voting securities or otherwise;
- "Agreement"** means this Agreement, including all Schedules, as it may be modified, amended, revised, restated, replaced, supplemented or otherwise changed from time to time and at any time hereafter;
- "Amended and Restated Initial Order"** means the order of the Court entered on May 25, 2026;
- "Alternative Offtake and Service Agreements"** means offtake, service or other agreements in respect of the business of the Borrowers;
- "Approved Cash Flow Forecast"** has the meaning given to that term in section 14;
- "Authorization"** means, with respect to any Person, any order, permit, approval, consent, waiver, licence or similar authorization of any Governmental Authority related to the Collateral or the Business;
- "Benefits Agreement"** means the impact benefits agreement between BIM Corp. and the Qikiqtani Inuit Association dated September 6, 2013, as amended on October 22, 2018, and as may be further amended, supplemented or amended and restated from time to time;
- "Borrowers"** has the meaning given to that term in the recitals;
- "Borrowers' Account"** has the meaning given to that term in section 20;

**"Business"** means the business of iron ore mining at the Mary River Mine on Baffin Island in Nunavut, Canada;

**"Business Day"** means any day other than a Saturday, Sunday or statutory holiday in the Province of Ontario or New York, New York;

**"CAA"** has the meaning given to that term in the recitals;

**"CAA Proceeding"** has the meaning given to that term in the recitals;

**"Collateral"** means all now-owned and hereafter-acquired assets and property of the Obligors, real and personal, tangible or intangible and all proceeds therefrom, including the Borrowers' Account and all assets used in the Business;

**"Commodity Agreement"** means, with respect to any Person, any commodity future or forward, swap or option, cap or collar or other similar agreement or arrangement as to which such Person is a party or a beneficiary;

**"Commitment/Funding Fee"** has the meaning given to that term in section 12;

**"Court"** has the meaning given to that term in the recitals;

**"Currency Agreement"** means, with respect to any Person, any foreign exchange future or forward, swap or option, cap or collar or other similar agreement or arrangement as to which such Person is a party or a beneficiary;

**"Default"** means the occurrence or existence of any event, fact or circumstances, that with the giving of notice, passage of time, or both, would constitute an Event of Default;

**"Default Rate"** has the meaning given to that term in section 12;

**"DIP Agent"** has the meaning given to that term in section 6;

**"DIP Charge"** has the meaning given to that term in section 17;

**"DIP Facility"** has the meaning given to that term in section 7;

**"DIP Lenders"** has the meaning given to that term in section 6;

**"DIP Lender Expenses"** has the meaning given to that term in section 13;

**"DIP Obligations"** has the meaning given to that term in section 17;

**"DIP Security"** means the DIP Charge and any and all security documents granted by the Obligors providing for a security interest in the Collateral and related personal property security registrations made in favour of the DIP Agent, for the benefit of the DIP Lenders, in connection with such security interest together with such confirmations, financing statements, renewals, amendments, discharges, insurance endorsements, opinions or other documents as may be reasonably requested by the Required DIP Lenders as security for the DIP Obligations;

**"EDC"** means Export Development Canada;

**"EDC Credit Agreement"** means that certain credit agreement dated as of October 7, 2022 (as amended pursuant to an amendment dated September 27, 2023, an amendment dated March 26, 2024, an amendment dated May 27, 2025 and an amendment dated November 24, 2025), by and among the Borrowers, as borrowers, the guarantors party thereto and EDC, as lender;

**"Eligible Assignee"** means (x) any DIP Lender or Affiliate or Related Fund of any DIP Lender, and (y) any SPC as long as the applicable DIP Lender remains obligated in respect of its commitments hereunder, *provided* that no Obligor or any Affiliate of any Obligor shall be an Eligible Assignee.

**"Encumbrances"** means any hypothec, encumbrance, lien, charge, pledge, deposit arrangement, mortgage, title retention agreement, trust, deemed trust, security interest of any nature, easement, encroachment, servitude, restriction on use, right of occupation, any matter capable of registration against title, option, right of first offer or refusal or similar right, restriction on voting (in the case of any voting or equity interest), right of pre-emption or privilege, or any other arrangement or condition that in substance or effect secures payment or performance of an obligation, or any contract to create any of the foregoing;

**"Event of Default"** has the meaning given to that term in section 28;

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

**"Hedging Obligations"** of any Person means the obligations of such Person pursuant to any Interest Rate Agreement, Currency Agreement or Commodity Agreement;

**"Holder AHG"** means an ad hoc group of Holders providing DIP Loans hereunder.

**"Holders"** means holders of the notes under the Indenture.

**"Indebtedness"** of any Person means, at any date, without duplication, (a) all obligations of such Person for borrowed money, including by way of overdraft and drafts or orders accepted as representing extensions of credit, (b) all obligations of such Person evidenced by bonds, debentures, the face amount of all letters of credit, letters of guarantee and similar instruments, notes or other similar instruments, (c) all indebtedness, liabilities and obligations secured by an Encumbrance on any asset of such Person, whether or not the same is otherwise indebtedness, liabilities or obligations of such Person, (d) all indebtedness, liabilities and obligations of others which is, directly or indirectly, guaranteed by such Person or which such Person has agreed (contingently or otherwise) to

purchase or otherwise acquire, (e) all indebtedness, liabilities and obligations in respect of financial instruments which are classified as a liability on the balance sheet of such Person, and (f) all obligations of such Person to otherwise assure a creditor against loss (for certainty, Hedging Obligations incurred by an Obligor in the ordinary course shall not be considered Indebtedness for purposes of this Agreement);

**"Indemnified Persons"** has the meaning given to that term in section 22;

**"Indenture"** means that certain Senior Secured Notes Indenture, dated as of June 27, 2018 (as amended, amended and restated or otherwise modified from time to time prior to the date of this Agreement), by and among the Borrowers, as issuers and the Indenture Agent;

**"Indenture Agent"** means Wilmington Trust, National Association, as trustee and collateral;

**"Initial Advance"** has the meaning given to that term in section 8;

**"Initial Advance Conditions"** has the meaning given to that term in section 15;

**"Initial Order"** means the order of the Court entered on May 15, 2026;

**"Interest Payment Date"** has the meaning given to that term in section 12;

**"Interest Period"** has the meaning given to that term in section 12;

**"Interest Rate Agreement"** means, with respect to any Person, any interest rate future or forward, swap or option, cap or collar or other similar agreement or arrangement as to which such Person is a party or a beneficiary;

**"Interest Rate"** has the meaning given to that term in section 12;

**"Law"** means any federal, provincial, county, territorial, district, municipal, local or foreign, statute, ordinance, regulation, by-law, rule, code, treaty or rule of common law or otherwise of, or any order, judgment, injunction, decree or similar authority enacted, issued, promulgated, enforced or entered by, any Governmental Authority;

**"Loan Amount"** has the meaning given to that term in section 7;

**"Material Contract"** means any contract, license or agreement: (i) to which a Borrower or Guarantor is a party or is bound; and (ii) which is material to or necessary in the operation of any Borrower or Guarantor.

**"Maturity Date"** has the meaning given to that term in section 21;

**"Stated Maturity Date"** has the meaning given to that term in section 20;

**"Monitor"** means FTI Consulting Canada Inc., as the court-appointed monitor of the Borrowers and Nunavut Iron Ore Mines, Inc.;

**"Obligors"** has the meaning given to that term in section 5;

**"Permitted Liens"** means (i) the Permitted Priority Liens; (ii) the DIP Charge; (iii) any charges created under the Initial Order or other Court

order subsequent and subordinated in priority to the DIP Charge; (iv) Encumbrances existing prior to the filing date of the CCAA Proceedings (the "**Filing Date**") which are subordinate to the DIP Charge; (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; and (vi) miner's liens incurred in the ordinary course of business.

**"Permitted Priority Liens"** means (i) the Priority Charges; (ii) any Encumbrance in respect of amounts payable by the Borrowers 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 each case 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 Charge granted by the Court; and (iii) such other Encumbrances existing as of the Filing Date that have not been subordinated to the DIP Charge granted by the Court.

**"Permitted Variance"** means, for each Testing Period, variances in actual receipts and disbursements in amounts such that (a) (i) actual receipts are not less than 90% of projected receipts for (1) such Testing Period and (2) the cumulative period commencing on the date of the initial Approved Cash Flow Forecast and ending on the last day of such Testing Period; (ii) actual disbursements are not more than 110% of projected disbursements for (1) such Testing Period and (2) the cumulative period commencing on the date of the initial Approved Cash Flow Forecast and ending on the last day of such Testing Period, and (b) to the extent any Approved Cash Flow Forecast specifies a lower permitted variance amount (which may be 0%) with respect to a specific disbursement line item, actual disbursements during the applicable Testing Period for such disbursement line item are not higher, on a percentage basis as compared to projected disbursements for such disbursement line item during such Testing Period, than such specified variance amount. For purposes of measuring the foregoing variances: (i) any unaccounted for fluctuation in the price of iron ore shall be excluded from the calculation of actual receipts; (ii) any unanticipated timing fluctuation in receipt of funds from any offtake arrangement shall be excluded from the calculation of actual receipts; provided the Obligors are in full compliance under such offtake arrangement and such timing fluctuation is due to non-compliance thereunder by a third-party; and (iii) the fees, costs, and expenses payable to the Monitor and its advisors and the advisors of the Obligors, as well as the DIP Lender Expenses, shall be excluded from disbursements. No amounts disbursed (x) in violation of any provision of this Agreement or (y) for a purpose which is not included in any line item in the Approved Cash Flow Forecast for the applicable Testing Period shall constitute Permitted Variances regardless of whether the other tests set forth in this definition have been satisfied.

**"Person"** means any individual, sole proprietorship, partnership, firm, entity, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, Governmental

Authority, and where the context requires, any of the foregoing when they are acting as trustee;

**"Pre-Approved Steensby CapEx"** means capital expenditures in connection with (a) the Steensby Expansion in an aggregate amount not to exceed \$20 million and (b) exploration costs not to exceed \$10 million.

**"Priority Charges"** has the meaning given to that term in section 17;

**"Priority Payables"** means HST, all sales Tax and any amount payable or accrued by a Borrower which is secured by an Encumbrance which ranks or is capable of ranking prior to or *pari passu* with the Encumbrances created in connection with the DIP Charge (other than the Priority Charges) including amounts accrued or owing for wages, vacation pay, termination pay (only where it is a priority payable), employee deductions, construction trusts or construction liens, and other statutory or other claims that have or may have priority over, or rank *pari passu* with, the Encumbrances created in connection with the DIP Charge;

**"Prohibited Payments"** means any payment or satisfaction of any claim on account of (i) obligations owed (or which satisfaction of which would result in payment to) any direct or indirect beneficial owner of equity interests in any Obligor, including under any royalty agreement (except for any royalty agreement which is properly registered on title, and has been determined by a court of competent jurisdiction in a final, non-appealable Order that royalty granted under such Royalty Agreement is a valid royalty at law and runs with the land); (ii) any transaction which does not provide for fair and reasonable terms which are no less favorable than those that would be obtained in arm's-length transactions of a similar type, except between Obligors; and (iii) obligations incurred prior to the Filing Date unless otherwise approved by the Monitor and the Court;

**"Related Fund"** means, with respect to any Lender that is an investment fund, any other entity that is managed or advised by such DIP Lender or the same investment advisor as such DIP Lender or by an Affiliate of such investment advisor;

**"Required DIP Lenders"** means, as of any time of determination, DIP Lenders holding more than 50% of the sum of all DIP Loans outstanding and undrawn commitments in effect with respect thereto (without taking into account any commitments temporarily held by the Fronting Lender for the account of the ultimate Lenders) at such time;

**"Restructuring Transaction"** means any restructuring, financing, refinancing, recapitalization, sale, liquidation, workout, plan or other material transaction of, or in respect of, the Obligors, or any of them, or all or a material portion of their Business, assets or obligations;

**"Royalty Agreements"** means, collectively, (i) the royalty agreement entered into among the Borrowers, 15877580 Canada Inc., ArcelorMittal Canada Inc., 15877563 Canada Inc. and 15877482 Canada Inc. dated March 25, 2024 and (ii) the royalty agreement entered into among the Borrowers, 16572367 Canada Inc., 15877563 Canada Inc. and 15877482 Canada Inc.;

**"Second Amended and Restated Initial Order"** means an order, or orders, of the Court, in form and substance satisfactory to the Required DIP Lenders and obtained on application made on notice to the service list in the CCAA Proceeding and to such Persons as the Required DIP Lenders and Obligors determine, acting reasonably, among other things, amending and restating the Amended and Restated Initial Order, approving the DIP Facility, granting the DIP Charge and granting the Obligors an extension of the stay of proceedings;

**"Senior Agents"** means, collectively, Alter Domus (US) LLC, as administrative agent and Wilmington Trust, National Association, as the collateral agent, in each case, under the Senior Credit Agreement;

**"Senior Credit Agreement"** means that certain revolving credit agreement dated as of May 26, 2017 (as amended by the first amendment dated June 27, 2018, the second amendment dated October 25, 2019, the third amendment dated February 14, 2022, the fourth amendment dated March 26, 2024, the fifth amendment dated May 27, 2025 and the sixth amendment dated November 24, 2025), by and among the Borrowers, as borrowers, the guarantors party thereto, the Senior Lenders and the Senior Agents;

**"Senior Lenders"** means the lenders under the Senior Credit Agreement;

**"Senior Secured Notes"** means the senior secured notes issued under the Indenture;

**"SISP"** has the meaning given to that term in section 27;

**"SISP Milestones"** has the meaning given to that term in section 27;

**"SPC"** means, with respect to any Lender, any special purpose vehicle identified in writing from time to time to the Administrative Agent and the Borrower that is formed for the purpose of providing all or any portion of the DIP Facility that such Lender would otherwise be obligated to make pursuant to this Agreement.

**"Stated Maturity Date"** has the meaning given to that term in section 21 hereof.

**"Steensby Expansion"** has the meaning given to that term in section 24;

**"Subsequent Advance"** has the meaning given to that term in section 8;

**"Supermajority DIP Lender Budget Consent Right"** has the meaning given to that term in section 14;

**"Supermajority DIP Lenders"** means, as of any time of determination, DIP Lenders holding not less than 66.67% of the sum of all DIP Loans outstanding and undrawn commitments in effect with respect thereto (without taking into account any commitments temporarily held by the Fronting Lender for the account of the ultimate Lenders) at such time; provided that, at all times, "Supermajority DIP Lenders" must include at least three (3) DIP Lenders, which DIP Lenders are not affiliates of each other.

**"Tax"** and **"Taxes"** means any taxes, duties, fees, premiums and assessments imposed by any Governmental Authority, including all interest, penalties, fines or additions to tax imposed by any Governmental Authority in respect thereof, and including those levied on, or measured by, income, gross receipts, profits, capital, transfer, land transfer, sales, goods and services, harmonized sales, excise, withholding, business, franchising, property, development, occupancy, payroll, health, social services, education, employment and all social security taxes, all surtaxes, all customs, duties and import and export taxes, countervail and anti-dumping, all licence, franchise and registration fees and all employment insurance, health insurance and Canada, and other government pension plan premiums or contributions;

**"Updated Cash Flow"** has the meaning given to that term in section 14;

**"Variance Report"** means a report in a form satisfactory to the Required DIP Lenders and the Monitor acting reasonably setting forth for all Obligors (i) actual receipts and disbursements for the preceding Testing Period for each line item in the Approved Cash Flow Forecast for such Testing Period, and (ii) actual receipts and disbursements on a cumulative basis since the beginning of the period covered by the then operative Approved Cash Flow Forecast, in each case as against the then operative Approved Cash Flow Forecast, and setting forth all the variances, on a line-item and aggregate basis in comparison to the amounts set forth in respect thereof in the then operative Approved Cash Flow Forecast. Each Variance Report shall include reasonably detailed explanations for any variances for either receipts or disbursements, in each case exceeding five percent (5%) of the Approved Cash Flow Forecast for each line item in the Approved Cash Flow Forecast and all items on a cumulative basis during the relevant period; and

**"Withholding Taxes"** has the meaning given to that term in section 30.

[Signature page follows]

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

**BORROWERS:**

**BAFFINLAND IRON MINES  
CORPORATION**

by \_\_\_\_\_

**BAFFINLAND IRON MINES LP, by its  
general partner, BAFFINLAND IRON  
MINES CORPORATION**

by \_\_\_\_\_

**GUARANTORS:**

**NUNAVUT IRON ORE, INC.**

by \_\_\_\_\_

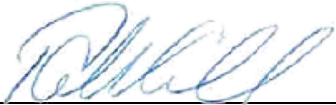
**12334992 CANADA INC.**

by \_\_\_\_\_

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

**DIP LENDERS:**

**BRIGADE CAPITAL MANAGEMENT,  
LP, AS INVESTMENT ADVISOR TO ITS  
VARIOUS FUNDS AND ACCOUNTS**

by  \_\_\_\_\_

Patrick Criscillo

Chief Financial Officer

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

**DIP LENDERS:**

**POLEN CAPITAL CREDIT, LLC, on behalf of certain funds and accounts it manages and/or advises**

by



Name: Elizabeth Duggan

Title: Authorized Signatory

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

**DIP LENDERS:**

**HARTREE PARTNERS, LP  
BY ITS GENERAL PARTNER,  
HARTREE PARTNERS GP, LLC**

By  \_\_\_\_\_  
AE077B232204449...

**OPPS XII BLIM Holdings, L.P.**

**By: Oaktree Fund GP IIA, LLC**

**Its: General Partner**

**By: Oaktree Fund GP II, L.P.**

**Its: Managing Member**

By: \_\_\_\_\_

By: \_\_\_\_\_

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

**DIP LENDERS:**

**HARTREE PARTNERS, LP  
BY ITS GENERAL PARTNER,  
HARTREE PARTNERS GP, LLC**

By \_\_\_\_\_

**OPPS XII BLIM Holdings, L.P.**

**By: Oaktree Fund GP IIA, LLC**

**Its: General Partner**

**By: Oaktree Fund GP II, L.P.**

**Its: Managing Member**

By: *David Nicoll* \_\_\_\_\_

Name: David Nicoll  
Title: Authorized Signatory

By: *Ross Rosenfelt* \_\_\_\_\_

Name: Ross Rosenfelt  
Title: Authorized Signatory

**SCHEDULE A**  
**DIP FACILITY COMMITMENTS**

<b>DIP Lender</b>	<b>DIP Commitment</b>	<b>Notice Information</b>
Brigade Capital Management, LP	\$30,000,000	
Polen Capital Credit, LLC	\$45,000,000	
Opps XII BLIM Holdings, L.P.	\$210,000,000	Oaktree Capital Management 555 South Flower Street, 36 <sup>th</sup> Floor Los Angeles, CA 90071 Attention: David Nicoll Email: <a href="mailto:dnicoll@oaktreecapital.com">dnicoll@oaktreecapital.com</a>
Hartree Partners, LP	\$15,000,000	Hartree Partners, LP 1185 Avenue of the Americas, New York, NY 10036 Attention: Scott Potolsky Email: <a href="mailto:HMFI-notices@hartreepartners.com">HMFI- notices@hartreepartners.com</a> CC: <a href="mailto:legalNY@hartreepartners.com">legalNY@hartreepartners.com</a>
<b>Total</b> .....	\$300,000,000	

**SCHEDULE B**  
**APPROVED CASH FLOW FORECAST**



## Nunavut Iron Ore, Inc., Baffinland Iron Mines Corporation and 12334992 Canada Inc. (collectively, the "Company")

### Assumptions to the Cash Flow Forecast

*The Company's cash flow forecast (the "Forecast") is presented in millions of United States dollars. Any estimates in Canadian dollars have been translated at a foreign exchange rate of 1.38:1.*

*In preparing this cash flow forecast, the Company has relied upon unaudited financial information and has not attempted to further verify the accuracy or completeness of such information. The Forecast includes assumptions described below with respect to the requirements and impact of a filing under the Companies' Creditors Arrangement Act. Since the Forecast is based on assumptions about future events and conditions that are not ascertainable, the actual results achieved during the Forecast period will vary from the Forecast, even if the assumptions materialize, and such variations may be material. There is no representation, warranty or other assurance that any of the estimates, forecasts or projections will be realized.*

- [1] **Purpose:** The purpose of the Forecast is to estimate the Company's liquidity requirements during the period May 30, 2026 to August 28, 2026 (the "**Forecast Period**").
- [2] **Receipts:** Receipts from the Company's off-take financing partner are based on forecast invoice amounts under the 2026 off-take agreement. Off-take receipts are received throughout the year, while inventory buyback and shipping sales occur during July to October each year. The Company has hedged approximately half of its 2026 production. Commercial Payments relate to shipping and freight costs associated with delivering sales.
- [3] **Labour:** Forecast based on planned production levels at Mary River Mine and management and overhead labour required to support same. The Company is current with all labour costs and related CRA payments.
- [4] **Vendor Payments:** Disbursements to commercial vendors, freight suppliers, government entity payments and various other operating costs required to facilitate continued mine operations. Includes an estimated amount that may be required to be paid to critical vendors for pre-filing amounts. Also includes amounts owed to the Qikiqtani Inuit Association and related parties in accordance with the Benefits Agreement as of May 15, 2026.
- [5] **Sealift Purchases:** Disbursements for consumables, freight, fuel and vendor pre-payment amounts required for shipment of goods to the Mary River Mine during the Sealift window.
- [6] **Sustaining Capital Costs:** Capital costs necessary to support and maintain operations at the Mary River Mine.
- [7] **Overhead Costs:** Payments for office general and administrative expenses, land lease payment to the QIA and insurance instalment payments.
- [8] **Exploration:** Exploration costs are associated with location identification, discovery, and quantity and quality assessments of deposits in the Mary River Mine area.
- [9] **Steensby Project Costs:** Costs to advance the Steensby project, as well as stripping costs for movement of surface material usable towards the Steensby Railway.
- [10] **Other Costs:** Professional Fees, Interest costs, and costs to support LC issuance.
- [11] **Liquidity:** The Company estimates it will require approximately \$201 million of liquidity for the period May 30, 2026 to August 28, 2026 under the set of assumptions outlined above and included in the Forecast. The Forecast assumes, among other things, that (i) the company continues on a growth oriented mining plan and continues to incur associated stripping costs in order to achieve 22 Mtpa of iron ore production capacity by 2030, (ii) all major sealift items (fuel, parts, tires) continue to be cash purchased (and not brought to site on consignment), and (iii) major site services and related overheads remain unchanged. Note that the Forecast does not include amounts for interest, fees or other cost of capital considerations.

## SCHEDULE C

### LOAN GUARANTY

(a) Each Guarantor hereby agrees that it is jointly and severally liable for, and, as a primary obligor and not merely as surety, and absolutely and unconditionally and irrevocably guarantees to the DIP Agent for the ratable benefit of the DIP Lenders and the other secured parties (the “**Guaranty**”) the full and prompt payment, when and as the same shall become due, whether at stated maturity, upon acceleration or otherwise, and at all times thereafter, of the DIP Obligations (collectively the “**Guaranteed Obligations**”). Each Guarantor further agrees that the Guaranteed Obligations may be extended or renewed in whole or in part without notice to or further assent from it, and that it remains bound upon its guarantee notwithstanding any such extension or renewal. If any or all of the Guaranteed Obligations becomes due and payable hereunder, each Guarantor, unconditionally and irrevocably, promises to pay such indebtedness to the DIP Agent and/or the DIP Lenders or the other secured parties, on demand, together with any and all expenses which may be incurred by the DIP Agent and the DIP Lenders in collecting any of the Guaranteed Obligations, to the extent reimbursable in accordance with this Agreement.

(b) Guaranty of Payment. This Guaranty is a guaranty of payment and not of collection. Each Guarantor waives any right to require the DIP Agent or any DIP Lender to sue any Borrower, any other Guarantor or any other Person obligated for all or any part of the Guaranteed Obligations (each, an “**Obligated Party**”), or otherwise to enforce its rights in respect of any collateral securing all or any part of the Guaranteed Obligations. The DIP Agent may enforce this Loan Guaranty upon the occurrence and during the continuance of an Event of Default.

(c) No Discharge or Diminishment of Guaranty.

(i) Except as otherwise provided for herein, the obligations of each Guarantor hereunder are unconditional, irrevocable and absolute and not subject to any reduction, limitation, impairment or termination for any reason, including: (i) any claim of waiver, release, extension, renewal, settlement, surrender, alteration, or compromise of any of the Guaranteed Obligations, by operation of law or otherwise; (ii) any change in the corporate existence, structure or ownership of any Obligated Party; (iii) any insolvency, bankruptcy, reorganization or other similar proceeding affecting any Obligated Party, or their assets or any resulting release or discharge of any obligation of any Obligated Party; (iv) the existence of any claim, setoff or other rights which any Guarantor may have at any time against any Obligated Party, the DIP Agent, any DIP Lender or any other Person, whether in connection herewith or in any unrelated transactions; (v) any direction as to application of payments by any Borrower or by any other party; (vi) any other continuing or other guaranty, undertaking or maximum liability of a Guarantor or of any other party as to the Guaranteed Obligations; (vii) any payment on or in reduction of any such other guaranty or undertaking; (viii) any dissolution, termination or increase, decrease or change in personnel by the Borrowers or (ix) any payment made to the DIP Agent or any DIP Lender on the Guaranteed Obligations which any such DIP Agent or DIP Lender repays to any Borrower pursuant to court order in any bankruptcy, reorganization, arrangement, moratorium or other debtor relief proceeding, and each Guarantor waives any right to the deferral or modification of its obligations hereunder by reason of any such proceeding.

(ii) Except for termination of a Guarantor’s obligations hereunder, the obligations of each Guarantor hereunder are not subject to any defense (other than defense of payment resulting in a payment in full in cash of the Guaranteed Obligations)

or setoff, counterclaim, recoupment, or termination whatsoever by reason of the invalidity, illegality, or unenforceability of any of the Guaranteed Obligations or otherwise, or any provision of applicable law or regulation purporting to prohibit payment by any Obligated Party, of the Guaranteed Obligations or any part thereof.

(iii) Further, the obligations of any Guarantor hereunder are not discharged or impaired or otherwise affected by: (i) the failure of the DIP Agent or any DIP Lender to assert any claim or demand or to enforce any remedy with respect to all or any part of the Guaranteed Obligations; (ii) any waiver or modification of or supplement to any provision of any agreement relating to the Guaranteed Obligations; (iii) any release, non-perfection, or invalidity of any indirect or direct security for the obligations of the Borrowers for all or any part of the Guaranteed Obligations or any obligations of any other Guarantor or of other Person liable for any of the Guaranteed Obligations; (iv) any action or failure to act by the DIP Agent or any DIP Lender with respect to any collateral securing any part of the Guaranteed Obligations; or (v) any default, failure or delay, willful or otherwise, in the payment or performance of any of the Guaranteed Obligations, or any other circumstance, act, omission or delay that might in any manner or to any extent vary the risk of such Guarantor or that would otherwise operate as a discharge of any Guarantor as a matter of law or equity.

(d) Defenses Waived. To the fullest extent permitted by applicable law and except for termination of a Guarantor's obligations hereunder, each Guarantor hereby waives any defense based on or arising out of any defense of any Borrower or any other Guarantor or arising out of the disability of the Borrowers or any other Guarantor or any other party or the unenforceability of all or any part of the Guaranteed Obligations or any part thereof from any cause, or the cessation from any cause of the liability of any Borrower or any other Guarantor. Without limiting the generality of the foregoing, each Guarantor irrevocably waives acceptance hereof, presentment, demand, protest and, to the fullest extent permitted by law, any notice not provided for herein, including notices of nonperformance, notices of protest, notices of dishonor, notices of acceptance of this Guaranty, and notices of the existence, creation or incurrence of new or additional Guaranteed Obligations, as well as any requirement that at any time any action be taken by any Person against any Obligated Party, or any other Person, including any right to require the DIP Agent or any DIP Lender to (i) proceed against any Borrower, any other Guarantor or any other party, (ii) proceed against or exhaust any security held from any Borrower, any other Guarantor or any other party or (iii) pursue any other remedy in any DIP Agent's or DIP Lenders' power whatsoever. The DIP Agent may, at its election, foreclose on any collateral held by it by one or more judicial or nonjudicial sales, whether or not every aspect of any such sale is commercially reasonable (to the extent permitted by applicable law), accept an assignment of any such collateral in lieu of foreclosure or otherwise act or fail to act with respect to any collateral securing all or a part of the Guaranteed Obligations, and the DIP Agent may, at its election, compromise or adjust any part of the Guaranteed Obligations, make any other accommodation with any Obligated Party or exercise any other right or remedy available to it against any Obligated Party, or any security, without affecting or impairing in any way the liability of such Guarantor under this Guaranty. To the fullest extent permitted by applicable law, each Guarantor waives any defense arising out of any such election even though that election may operate, pursuant to applicable law, to impair or extinguish any right of reimbursement or subrogation or other right or remedy of any Guarantor against any Obligated Party or any security.

(e) Authorization. The Guarantors authorize the DIP Agent and the DIP Lenders without notice or demand (except as shall be required by applicable statute and cannot be waived), and without affecting or impairing its liability hereunder, from time to time, to:

(i) change the manner, place or terms of payment of, and/or change or extend the time of payment of, renew, increase, accelerate or alter, any of the Guaranteed Obligations (including any increase or decrease in the principal amount thereof or the rate of interest or fees thereon), any security therefor, or any liability incurred directly or indirectly in respect thereof, and this Guaranty shall apply to the Guaranteed Obligations as so changed, extended, renewed or altered;

(ii) take and hold security for the payment of the Guaranteed Obligations and sell, exchange, release, impair, surrender, realize upon or otherwise deal with in any manner and in any order any property by whomsoever at any time pledged or mortgaged to secure, or howsoever securing, the Guaranteed Obligations or any liabilities (including any of those hereunder) incurred directly or indirectly in respect thereof or hereof, and/or any offset there against;

(iii) exercise or refrain from exercising any rights against any Obligor or others or otherwise act or refrain from acting;

(iv) release or substitute any one or more endorsers, Guarantors, or the Borrowers, or other obligors;

(v) settle or compromise any of the Guaranteed Obligations, any security therefor or any liability (including any of those hereunder) incurred directly or indirectly in respect thereof or hereof, and may subordinate the payment of all or any part thereof to the payment of any liability (whether due or not) of the Borrowers to their creditors other than the DIP Agent or DIP Lenders;

(vi) apply any sums by whomsoever paid or howsoever realized to any liability or liabilities of the Borrowers to the DIP Agent or DIP Lenders regardless of what liability or liabilities of the Borrowers remain unpaid;

(vii) consent to or waive any breach of, or any act, omission or default under, this Agreement or any of the instruments or agreements referred to herein, or otherwise amend, modify or supplement this Agreement or any related documents or other such instruments or agreements; and/or

(viii) take any other action which would, under otherwise applicable principles of common law, give rise to a legal or equitable discharge of the Guarantors from their respective liabilities under this Loan Guaranty.

(f) Rights of Subrogation. Any indebtedness of the Borrowers now or hereafter owing to any Guarantor is hereby subordinated to the Obligations owing to the DIP Agent and the DIP Lenders; and if the DIP Agent so requests at a time when an Event of Default exists, all such indebtedness of the Borrowers to such Guarantor shall be collected, enforced and received by such Guarantor for the benefit of the DIP Agent and the DIP Lenders and be paid over to the DIP Agent on behalf of the DIP Lenders on account of the Guaranteed Obligations, but without affecting or impairing in any manner the liability of such Guarantor under the other provisions of this Guaranty.

(g) Reinstatement; Stay of Acceleration. If at any time any payment of any portion of the Guaranteed Obligations is rescinded or must otherwise be restored or returned upon the insolvency, bankruptcy, or reorganization of any Borrower or otherwise, each Guarantor's obligations under this Guaranty with respect to that payment shall be reinstated at such time as though the payment had not been made. If acceleration of the time for payment of any of the

Guaranteed Obligations is stayed upon the insolvency, bankruptcy or reorganization of any Borrower, all such amounts otherwise subject to acceleration under the terms of any agreement relating to the Guaranteed Obligations shall nonetheless be payable by the other Guarantors forthwith on demand by the DIP Agent.

(h) Liability Cumulative. The liability of each Guarantor under this Loan Guaranty is in addition to and shall be cumulative with all liabilities of such Guarantor to the DIP Agent and the DIP Lenders under this Agreement and any related documents to which such Guarantor is a party or in respect of any obligations or liabilities of the other Guarantors, without any limitation as to amount, unless the instrument or agreement evidencing or creating such other liability specifically provides to the contrary.

**DIP FACILITY LOAN AGREEMENT**

**DATED AS OF ~~May~~June ■, 2026**

**WHEREAS** Baffinland Iron Mines Corporation and Baffinland Iron Mines LP (collectively, the "**Borrowers**") have requested the DIP Lenders (defined below) to provide funding in order to assist with proceedings under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**") that were commenced before the Ontario Superior Court of Justice – Commercial List (the "**Court**") in accordance with the terms and conditions set out herein (the "**CCAA Proceeding**");

**AND WHEREAS** the DIP Lenders have agreed to provide the DIP Facility (defined below) in accordance with the terms and conditions set out below.

**NOW THEREFORE**, in consideration of the foregoing and their respective representations, warranties, covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereby agree as follows:

1. **Defined Terms:** A capitalized term not defined in the body of this Agreement has the meaning ascribed to it in the Definitions section below.
2. **Interpretation:** In this Agreement, words signifying the singular number include the plural and *vice versa*, and words signifying gender include all genders. Every use of the word "including" in this Agreement is to be construed as meaning "including, without limitation".  
  
The division of this Agreement into Sections and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement.  
  
References in this Agreement to Sections or Schedules are to be construed as references to a Section or Schedule of or to this Agreement unless the context requires otherwise.
3. **Currency:** Unless otherwise stated, all monetary denominations shall be in lawful currency of the United States of America.
4. **Borrowers:** Baffinland Iron Mines Corporation ("**BIM Corp**") and Baffinland Iron Mines LP ("**Baffin LP**" and, together with BIM Corp, the "**Borrowers**").
5. **Guarantors:** Nunavut Iron Ore, Inc. and 12334992 Canada Inc. (collectively, the "**Guarantors**" and collectively with the Borrowers, the "**Obligors**").
6. **DIP Lenders:** The institutions described in Schedule A (on behalf of themselves and their affiliates and managed funds) hereby commit to provide the DIP Facility, on a several and not joint basis, in the respective amounts set forth adjacent to each such institution's name in Schedule A upon the terms and conditions set forth in this Agreement (collectively, the "**DIP Lenders**").

An institution acceptable to the Required DIP Lenders shall act as

administrative agent and as collateral agent for the DIP Facility (in such capacities, the “**DIP Agent**”).

An institution acceptable to the Required DIP Lenders shall act as fronting lender (the “**Fronting Lender**”) pursuant to which the Fronting Lender shall fund each Advance on behalf of the DIP Lenders and subsequently assign such funded DIP Loans to the DIP Lenders pursuant to arrangements agreed by the Fronting Lender and each of the DIP Lenders. The Fronting Lender shall be a “DIP Lender” for all purposes herein so long as the Fronting Lender holds commitments in respect of the DIP Facility or any DIP Loans.

Upon the Borrowers’ acceptance of this Agreement, this Agreement shall be amended and restated to include the DIP Agent and the Fronting Lender as parties hereto and to, among other things, add customary agency provisions for the benefit of the DIP Agent and fronting lender provisions for the benefit of the Fronting Lender, in each case, that are acceptable to the Borrowers, the DIP Agent, the Required DIP Lenders and the Fronting Lender (solely with respect to the fronting lender provisions), in each case, acting reasonably.

7. **DIP Facility:** The DIP Lenders agree to establish in favour of the Borrowers a debtor-in-possession delayed draw term loan facility (the “**DIP Facility**” and, the loans thereunder, the “**DIP Loans**”) in the principal amount equal to \$300 million (the “**Loan Amount**”). No amount capitalized as principal hereunder shall reduce the availability of the full Loan Amount to the Borrowers.

8. **DIP Advances:** ~~Advances~~An initial advance under the DIP Facility in the aggregate principal amount of ~~up to~~ \$110 million (the “~~Bridge Advances~~Initial Advance”) shall be made available to the Borrowers ~~during the four week period beginning~~ on the date that is one Business Day after the date of the Second Amended and Restated Initial Order ~~(, and no other advances shall be made during the four-week period following such Initial Advance (such period, the “Bridge Period”), subject to satisfaction of the Subsequent Advance Conditions (other than the first advance under the DIP Facility (the “Initial Advance”)).~~ The Initial Advance ~~of \$70 million~~ shall be advanced to the Borrowers ~~on the date of the Second Amended and Restated Initial Order,~~ subject to satisfaction of the Initial Advance Conditions. Interest shall accrue and be payable on the ~~Bridge Advances~~Initial Advance pursuant to the terms hereof.

Subsequent advances under the DIP Facility, ~~including during the Bridge Period~~ (each, a “**Subsequent Advance**”) shall be made available to the Borrowers following the Bridge Period and subject to satisfaction, at the time of each Subsequent Advance, of the Subsequent Advance Conditions, and shall be deposited into the Borrowers’ Account (defined below) every other week (or as otherwise agreed by the Borrowers and the Required DIP Lenders), with each Subsequent Advance being in an amount no less than \$20 million, in each case subject to the satisfaction of the Subsequent Advance

Conditions (as defined below). The sum of the Initial Advance and the Subsequent Advances shall not exceed the Loan Amount. The timing and amount of each Subsequent Advance shall be determined based on the funding needs of the Borrowers as set forth in the Approved Cash Flow Forecast, and Subsequent Advances shall only be available and provided hereunder after the Borrowers have received the entirety of the Initial Advance.

Advances under the DIP Facility, other than the Initial Advance (each, an "**Advance**") require a written notice to be delivered to the DIP Agent and the DIP Lenders, at least three (3) Business Days prior to the requested date of the Advance, or such shorter period as may be agreed by the Required DIP Lenders in advance (each, an "**Advance Notice**"), which has been executed by an officer of the Borrowers setting out: (a) the proposed amount of the requested Advance; (b) the date the Advance is required; and (c) certification that the representations and warranties contained herein are true and correct in all material respects as of such date.

Each Advance, on behalf of and at the request of each of the DIP Lenders, shall be provided by and funded to the DIP Agent by the Fronting Lender and subsequently assigned to the DIP Lenders pursuant to arrangements agreed by the Fronting Lender and each DIP Lender. The Fronting Lender shall deposit into the Borrowers' Account the amount requested by the Borrowers pursuant to the Advance Notice on the requested date of the Advance, net of all fees, costs and expenses to be paid in connection with such Advance pursuant to a funds direction to be delivered prior to the date of such Advance; provided that (x) with respect to the Initial Advance, the Initial Advance Conditions are satisfied as of such date and (y) with respect to each Advance after the Initial Advance, the applicable conditions described in this section 8 and the applicable Subsequent Advance Conditions are satisfied as of such date.

9. **Use of Proceeds:** The proceeds of the DIP Facility shall be used solely by the Borrowers in accordance with the Approved Cash Flow Forecast, which shall include provision for payment, in all respects subject to and to the extent included in the Approved Cash Flow Forecast, of (i) the fees of the Monitor and its counsel and counsel for the Obligors, (ii) interest, fees (including the Commitment/Funding Fee) and other amounts owing to the DIP Lenders under this Agreement, (iii) DIP Lender Expenses and ordinary course payments for the Borrowers' working capital needs during the CCAA Proceeding, including, post-filing accounts payable in the ordinary course of the Business and Priority Payables and in respect of the pursuit of the SISF, (iv) royalty payments under each of the Royalty Agreements when due and payable under such Royalty Agreement; provided such Royalty Agreement is properly registered on title, and it has been determined by a court of competent jurisdiction in a final, non-appealable Order that royalty granted under such Royalty Agreement is a valid royalty at law and runs with the land but excluding, for the avoidance of doubt, any     payments which are Prohibited

Payments, (v) cash collateral required to support letters of credit issued by financial institutions, (vi) Pre-Approved Steensby CapEx, and (vii) amounts payable under the Benefits Agreement. Without the prior written consent of the Required DIP Lenders (subject to the Supermajority DIP Lender Budget Consent Right), no proceeds may be used, and no expenditures shall be made, for any purpose that is not included in the Approved Cash Flow Forecast. The foregoing list is illustrative and shall be subject to, and not construed as superseding in any respect, the prohibitions on payments provided for in Section 26 hereof and the consent rights of the DIP Lenders with respect to the Approved Cash Flow Forecast.

10. **Assignment by the Borrowers:** The Borrowers shall not be permitted to assign their interests in this Agreement without the prior written consent of each DIP Lender.
11. **Evidence of Indebtedness:** The DIP Agent shall maintain a register evidencing Advances and repayments under the DIP Facility and all other amounts owing from time to time hereunder. The DIP Agent register constitutes, in the absence of manifest error, *prima facie* evidence of the Indebtedness of the Borrowers to the DIP Lenders pursuant to the DIP Facility.
12. **Interest; Fees** All amounts owing by the Borrowers hereunder to the DIP Lenders on account of the principal, overdue interest and expenses shall bear interest at a rate per annum equal to Adjusted Term SOFR (which, for purposes of this Agreement, shall have the meaning given to such term in the Senior Credit Agreement, treating the DIP Loans as SOFR Loans thereunder and utilizing a one-month Interest Period as set forth below) plus 7.00%, payable entirely in cash on each Interest Payment Date (the "**Interest Rate**"). To the extent permitted by Law, effective upon the occurrence of and during the continuance of an Event of Default, all outstanding amounts owing to the DIP Lenders hereunder by the Borrowers on account of principal, overdue interest and expenses shall bear interest at the Interest Rate plus an additional 2% per annum (the Interest Rate, as increased, the "**Default Rate**").

All interest hereunder shall be computed on the basis of a year of 360 days and shall accrue and be calculated daily and payable in cash, monthly in arrears on the last Business Day of each month (each, an "**Interest Payment Date**"); provided that unless otherwise agreed by the Required DIP Lenders, interest accruing at the Default Rate shall be payable in cash on demand, both before and after demand and judgment.

In the case of an Advance, the first "**Interest Period**" shall commence on and include the date of such Advance and shall end on and exclude the next following Interest Payment Date. Thereafter, in the case of such Advance, the Interest Period shall commence on and include the Interest Payment Date and end on and exclude the next Interest Payment Date or the Maturity Date, whichever is earlier.

On the date which is 60 days following the date on which the Initial

Advance is made, the Borrowers shall, solely to the extent the DIP Facility has not been repaid or refinanced in full in cash as of such date, pay a fee (the "**Commitment/Funding Fee**") of 3.00% of the Loan Amount to the DIP Lenders on a pro rata basis, which such Commitment/Funding Fee shall be payable in kind and capitalized on the principal amount of the DIP Loans on such date.

The Commitment/Funding Fee shall constitute part of the DIP Obligations, shall be secured by the DIP Charge, and shall bear interest at the Interest Rate (or, after the occurrence and during the continuance of an Event of Default, the Default Rate).

The DIP Lenders hereby confirm that no additional fees will be accrued in the event of any amendment, consent, waiver or accommodations that the DIP Lenders may agree to provide, in their sole discretion, pursuant to the terms hereof, other than reasonable, documented, out-of-pocket expenses in connection with the implementation of such amendment, consent, waiver, or accommodation or additional interest and fees that accrue solely from any increase in the Loan Amount.

13. **Other Costs and Expenses:** The Borrower shall pay (either in cash or through Deemed Draws, as defined below) all reasonable and documented third-party out-of-pocket costs and expenses of the DIP Agent, each DIP Lender and the Fronting Lender for all due diligence and all reasonable and documented fees, out-of-pocket expenses and disbursements of advisors (which, for the avoidance of doubt, shall include (i) Stikeman Elliott LLP, as counsel to the Senior Lenders, (ii) Paul, Weiss, Rifkind, Wharton & Garrison LLP, as special counsel to the Senior Lenders, (iii) a financial advisor to the Senior Lenders, (iv) Akin Gump Strauss Hauer & Feld LLP, as counsel to the Holder AHG, (v) Cassels Brock & Blackwell LLP, as counsel to the Holder AHG and (vi) Houlihan Lokey, as financial advisor to the Holder AHG), incurred in connection with the preparation, negotiation and consummation of this Agreement or any other Restructuring Transaction, the administration of the DIP Facility and participation in the CCAA Proceeding, including any reasonable and documented third-party costs and out-of-pocket expenses incurred by the DIP Agent, the DIP Lenders and the Fronting Lender in connection with the enforcement of any of the rights and remedies available hereunder or under the DIP Security (collectively, the "**DIP Lender Expenses**"). The DIP Lender Expenses shall form part of the DIP Obligations secured by the DIP Charge (as defined below). The Borrowers may, by providing notice to the DIP Lenders, opt to have DIP Lender Expenses paid directly by the applicable DIP Lender to its advisors, *provided* that any such payment by any DIP Lender to any such advisor will result in a dollar-for-dollar increase in the Loan Amount and in the principal amount outstanding under the DIP Facility owed to the applicable paying DIP Lender, effective as of the date of such payment (a "**Deemed Draw**").
14. **Approved Cash Flow Forecast:** Attached hereto as Schedule B is a detailed cash flow projection (the "**Initial Cash Flow Forecast**"), which is in form and substance

satisfactory to the Required DIP Lenders and which may include, *inter alia*, provision for payments on account of any interest and expenses which may be payable under the DIP Facility, rent and other occupancy costs, supplier payments, cash collateral required to support letters of credit issued by financial institutions, post-filing accounts payable in the ordinary course of the Business, Priority Payables, payments of amounts payable under the Royalty Agreements (provided such Royalty Agreement is properly registered on title, and it has been determined by a court of competent jurisdiction in a final, non-appealable Order that royalty granted under such Royalty Agreement is a valid royalty at law and runs with the land but excluding, for the avoidance of doubt, any ~~royalty~~ payments which are Prohibited Payments) and the Benefits Agreement, and the costs and expenses associated with the CCAA Proceeding. The foregoing list is illustrative and shall be subject to, and not construed as superseding in any respect, the prohibitions on payments provided for in Section 26 hereof and the consent rights of the DIP Lenders with respect to the Approved Cash Flow Forecast.

The Borrowers, with the assistance of the Monitor, shall, from time to time as required by this Agreement, present the DIP Lenders with a revised cash flow forecast in a substantially similar form (the "**Updated Cash Flow Forecast**"). Upon the written approval of the Required DIP Lenders (subject to the Supermajority DIP Lender Budget Consent Right), the Updated Cash Flow Forecast shall thereafter be deemed to be the effective cash flow forecast (the "**Approved Cash Flow Forecast**") for the purposes hereof. Until such time as the Required DIP Lenders (subject to the Supermajority DIP Lender Budget Consent Right) approve an Updated Cash Flow Forecast, the prior Approved Cash Flow Forecast shall remain in effect, with disbursement lines in the Operating Disbursements section (each, an "**OpEx Cost**") set forth in the then applicable Initial Cash Flow Forecast or Approved Cash Flow Forecast, as applicable, being rolled forward at the end of the period covered by such prior Approved Cash Flow Forecast, and all other line items being limited to any unused portion of the amount set forth for such line item in the prior Approved Cash Flow Forecast. The DIP Lenders shall be under no obligation to approve any Updated Cash Flow Forecast notwithstanding any prior approval of any prior or then-current Approved Cash Flow Forecast, recognizing that if no such approval is given the then-prior Approved Cash Flow Forecast shall remain in effect subject to the foregoing limitations.

Notwithstanding any other provision of this Agreement, neither the DIP Agent nor the DIP Lenders shall be obligated to make any advance under the DIP Facility unless the Borrowers are in compliance with the Approved Cash Flow Forecast (which may, for the avoidance of doubt and in the event that a Subsequent Cash Flow Forecast is not approved as required hereunder, be the prior Approved Cash Flow Forecast subject to the limitations on rolling-forward set forth above).

The DIP Lenders agree to approve allocations in the Approved Cash Flow Forecasts in respect of capital expenditures for the Steensby Railway project and related financing process (the "**Steensby**

**Expansion**") and exploration costs in an aggregate amount not to exceed the Pre-Approved Steensby CapEx amount. This obligation shall not require and shall not be construed as requiring any approvals in any respect in excess thereof; *provided* that the DIP Lenders shall, subject to agreement with the Borrowers on the terms of the SISP, the views of their financial advisors, and further understanding regarding non-discretionary spending with respect to the Steensby Expansion and exploration costs, discuss with the Borrowers approving additional amounts to be allocated to the Steensby Expansion and exploration costs with such allocations to remain subject to the Required DIP Lenders' sole discretion (subject to the Supermajority DIP Lender Budget Consent Right); *provided, however*, that the DIP Lenders shall agree to approve additional capital expenditures in connection with the Steensby Expansion or any additional exploration costs at such time as the Borrowers have (i) obtained one or more bona fide, binding, irrevocable bids in the SISP that provide for (A) the repayment in full in cash of the DIP Facility and the obligations under the Senior Credit Agreement and the Senior Secured Notes on or prior to the closing of such sale transaction, and (B) the consent of such bidder(s) to pursue the Steensby Expansion and further exploration, with a plan for execution which is reasonably acceptable to the Required DIP Lenders; (ii) submitted to the DIP Lenders supporting plans including engineering, design and operations acceptable to the Required DIP Lenders; and (iii) liquidity which is reasonably acceptable to the Required DIP Lenders; *provided, however*, that the approval of the Supermajority DIP Lenders shall be required with respect to allocations of more than \$95 million to the Steensby Expansion or exploration in any Updated Cash Flow Forecast (the "**Supermajority DIP Lender Budget Consent Right**").

15. **Conditions Precedent to the Initial Advance:**

The DIP Lenders' obligation to make the Initial Advance hereunder from the Loan Amount is subject to, and conditional upon, the satisfaction of all of the following conditions precedent (the "**Initial Advance Conditions**"):

- (a) the Court shall have issued the Second Amended and Restated Initial Order in form and substance satisfactory to the DIP Agent, the Required DIP Lenders and the Fronting Lender, acting reasonably, among other things:
  - (i) authorizing and approving this Agreement;
  - (ii) granting the DIP Charge and the priority of the DIP Charge contemplated in this Agreement;
  - (iii) granting a stay of proceedings until ~~no earlier than September 30, 2026~~ a date that is at least nine (9) weeks after the date of the Second Amended and Restated Initial Order; and
  - (iv) providing for provisional execution, or other protection satisfactory to the Required DIP Lenders, in respect of any and all Advances made and/or Liens and/or charges granted

for the DIP Loans, including the DIP Charge;

and the operation and effect of such order shall not have been stayed, amended, modified, reversed, waived, dismissed or appealed (or any such appeal shall have been dismissed with no further appeal therefrom or the applicable appeal periods shall have expired) and no notices of the foregoing shall have been filed, unless otherwise agreed by the Required DIP Lenders, in their sole discretion;

- (b) the DIP Lenders shall have received an Advance Notice in accordance with the terms hereof;
- (c) no Default or Event of Default shall have occurred and be continuing or will occur as a result of the Initial Advance;
- (d) there shall be no Encumbrances on the Collateral ranking in priority to or *pari passu* with the DIP Charge other than as expressly permitted by the terms hereof; and
- (e) the Obligors shall have delivered to the DIP Agent customary officer's certificates and authorizing directors' resolutions, in form and substance satisfactory to the Required DIP Lenders; ~~and~~

~~(f) the Borrowers shall have confirmed to the DIP Agent and the Required DIP Lenders that all Authorizations which the Borrowers held as of the filing date of the CCAA Proceedings (the "Filing Date") remain in place.~~

16. **Conditions Precedent to Subsequent Advances:**

The DIP Lenders' agreement to make Subsequent Advances, ~~including during the Bridge Period,~~ is subject to, and conditional upon, the satisfaction of all of the following conditions precedent (the "**Subsequent Advance Conditions**"):

- (a) the Second Amended and Restated Initial Order shall not have been stayed, amended, modified, reversed, waived, dismissed or appealed (or any such appeal shall have been dismissed with no further appeal therefrom or the applicable appeal periods shall have expired) and no notices of the foregoing shall have been filed, unless otherwise agreed by the Required DIP Lenders, in their ~~sole~~ reasonable discretion;
- ~~(b) the Second Amended and Restated Initial Order has not been amended, restated or modified in a manner that materially adversely affects the rights, remedies or interests of the DIP Lenders without the prior written consent of the Required DIP Lenders; provided that any such modification which would require the consent of a given DIP Lender under section 34 hereof be subject to such DIP Lenders' consent;~~
- (b) ~~(c)~~ the DIP Lenders shall have received an Advance Notice in accordance with the terms hereof;
- (c) ~~(d)~~ all reasonable and documented third-party expenses payable to the DIP Agent, the DIP Lenders and the Fronting Lender

hereunder have been paid by the Borrowers in cash or via a Deemed Draw, or will be paid from the proceeds of the requested Advance on the date of the applicable Advance;

- (d) ~~(e)~~ there shall be no Encumbrances on the Collateral ranking in priority to or *pari passu* with the DIP Charge other than as expressly permitted by the terms hereof;
- (e) ~~(f)~~ no Default or Event of Default shall have occurred and be continuing or will occur as a result of the requested Advance;  
and
- ~~(g) the Borrowers shall have confirmed to the DIP Agent and the Required DIP Lenders that all Authorizations which the Borrowers held as of the Filing Date remain in place; and~~
- (f) ~~(h)~~ the Borrowers are in compliance with the Approved Cash Flow Forecast (subject to Permitted Variances) as of the date of the proposed Subsequent Advance (which may, for the avoidance of doubt and in the event that a Subsequent Cash Flow Forecast is not approved as required hereunder, be the prior Approved Cash Flow Forecast subject to the limitations on rolling-forward set forth in Section 14 above).

- 17. **DIP Charge:** All of the obligations of the Obligors under or in connection with the DIP Facility, including without limitation, all principal, interest, fees and DIP Lender Expenses (collectively, the "**DIP Obligations**"), shall be secured by a Court-ordered charge on the Collateral in favour of the DIP Agent, for the benefit of the DIP Lenders (the "**DIP Charge**").  
  
The DIP Charge shall rank ahead of any and all Encumbrances on the Collateral other than (i) the administration charge not exceeding \$5.0 million, (ii) the directors and officers charge not exceeding \$20.4 million, and (iii) in respect of the Cash Collateral (as defined in the Amended and Restated Initial Order) (collectively, the "**Priority Charges**"), in each case unless otherwise consented by the Required DIP Lenders.
- 18. **DIP Security:** The Guarantors hereby guarantee in favour of the DIP Agent, for the benefit of the DIP Lenders, the payment and performance of the DIP Obligations of the Borrowers pursuant to the terms set forth in Schedule C hereto.  
  
The DIP Lenders shall be permitted to request DIP Security (in form and substance reasonably satisfactory to the Required DIP Lender) from the Obligors at any time. The DIP Security shall continue as a first priority Encumbrance on the Collateral in favour of the DIP Agent, for the benefit of the DIP Lenders, subject to subordination only in respect of the Priority Charges and Priority Payables. For greater certainty, the delivery of DIP Security shall not be a condition precedent to the Initial Advance or any other advances of the Loan Amount as set out in sections 15 and 16.
- 19. **Hedging** The Borrowers will use best efforts to implement a hedging program,

- Program** working in consultation with the DIP Lenders, to manage volatility and protect the cost position of the business including, without limitation, with respect to iron ore and fuel.
20. **Borrowers' Account:** Advances shall be deposited into a bank account to be designated by the Borrowers (the "**Borrowers' Account**") and utilized by the Borrowers in accordance with the terms of this Agreement. At the request of the DIP Lenders, the Borrowers shall put in place a blocked account agreement in favour of the DIP Agent (for the benefit of the DIP Lenders) thereon on such terms as are acceptable to the Required DIP Lenders, in their discretion. Any such blocked account agreement shall not impose a payment block unless the Required DIP Lenders (or the DIP Agent acting at the instruction of the Required DIP Lenders) provide instruction to impose such a block, which instruction may not be given unless an Event of Default has occurred and is continuing.
21. **Repayment and Maturity Date:** All DIP Obligations shall be due and payable on the earliest of the occurrence of any of the following:
- (a) conversion of the CCAA Proceeding into a proceeding under the *Bankruptcy and Insolvency Act* (Canada);
  - (b) the occurrence of an Event of Default and a demand for payment by the DIP Agent (at the request of the Required DIP Lenders) following such occurrence and the expiration of any applicable cure period if such Event of Default is continuing as of the date of such request, unless the Required DIP Lenders (or the DIP Agent acting at the direction of the Required DIP Lenders) shall have rescinded such demand for payment;
  - (c) the closing of a Restructuring Transaction or combination of Restructuring Transactions; or
  - (d) the date that is twelve (12) months after the granting of the Second Amended and Restated Initial Order, subject to the extensions set forth below (the "**Stated Maturity Date**")
- (such earliest date, the "**Maturity Date**").

The Stated Maturity Date may be extended two times (without counting the Additional Extension, as defined below) by the Borrowers for up to three (3) months each time, provided that (i) the Borrowers deliver a written extension request to the DIP Agent not less than ten (10) days prior to the then applicable Stated Maturity Date, (ii) no Default or Event of Default exists on the then applicable Stated Maturity Date, (iii) the Borrowers shall have paid an extension fee (the "**Extension Fee**") on the date of each such extension equal to two percent (2%) of the DIP Loans outstanding at such time, payable in-kind on the date of such extension to the DIP Agent on behalf of the DIP Lenders on a pro rata basis and capitalized on the principal amount of the DIP Loans as of such date and (iv) the Borrowers shall have provided to the DIP Agent and the DIP Lenders an Updated Cash Flow Forecast as approved by the Monitor and which shall be in form and substance satisfactory to the

Required DIP Lenders (subject to the Supermajority DIP Lender Budget Consent Right), through and including the date to which the Stated Maturity Date is extended; *provided* that if a binding offer has been obtained in the SISP which is acceptable to the Required DIP Lenders prior to the Maturity Date and at the time such an extension is sought, the Borrowers may, only once and subject to satisfaction of the requirements set forth in the foregoing provisos (i), (ii), and (iv), extend the Maturity Date for an additional three (3) months (the “**Additional Extension**”) without paying an Extension Fee for such extension.

The DIP Lenders’ commitment to make Advances under the DIP Facility shall expire on the Maturity Date and all amounts outstanding under the DIP Facility shall be fully repaid no later than the Maturity Date, without the DIP Lenders being required to make demand upon the Borrowers or Guarantors or to give notice that the DIP Facility has expired and that the obligations thereunder are due and payable.

22. **Payments:**

All payments of principal, interest and expenses hereunder, if applicable, shall be made for value in the full amount due at or before 12:00 noon on the day such amount is due by deposit or transfer thereof to the DIP Agent or as the DIP Lenders may direct. Payments received after such time shall be deemed to have been made on the next following Business Day. If any payment is due on a day which is not a Business Day, such payment shall be due on the next following Business Day and interest shall accrue until but excluding the actual date of payment. Each payment to be made by the Borrowers under this Agreement shall be made in full without deduction, set-off or counterclaim of any kind or for any reason. If any expenses incurred by the Borrowers after the date of this Agreement are not paid by the Borrowers, the DIP Agent may, but shall have no duty to do so, pay all such expenses whereupon such amounts shall be added to and form part of the DIP Obligations and shall reduce the availability under the DIP Facility. 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 (for greater certainty, net of transaction fees and applicable taxes in respect thereof), or any insurance proceeds (net of expenses incurred by the applicable Obligor in connection therewith, including transaction fees and applicable taxes in respect thereof) (each “**Net Proceeds**”) paid to the Borrowers or Guarantors in respect of Collateral, shall be paid to the DIP Agent (for the benefit of the DIP Lenders) and applied to prepay the DIP Obligations (or, if no DIP Obligations are then outstanding, reduce the commitments of the DIP Lenders ratably) in an amount equal to the Net Proceeds of such sale, realization, disposition or insurance proceeds. Any such amount repaid may not be reborrowed.

Notwithstanding the foregoing, in lieu of such prepayment, the applicable Obligor shall be permitted to apply such Net Proceeds within 30 days after the receipt thereof by such Obligor to, or to contract to,

repair or replace the affected Collateral, subject to such Obligor's written notice thereof to the DIP ~~Lender~~Lenders promptly following the sale, realization, disposition or casualty event in respect of insurance proceeds; *provided*, that any Net Proceeds shall be held in a segregated account until such time as they are utilized for repayment or reinvestment as permitted in this Section 22, and not otherwise disbursed.

23. **Indemnity;  
Limitation of  
Liability:**

The Obligors agree to indemnify and hold harmless the DIP Agent, the DIP Lenders, the Fronting Lender and their respective Affiliates, partners and officers, directors, employees, representatives, advisors, solicitors and agents (collectively, the "**Indemnified Persons**") from and against any and all actions, lawsuits, proceedings (including any investigations or inquiries), claims, losses, damages, liabilities or reasonable and documented third-party expenses of any kind or nature whatsoever which may be incurred by any of the Indemnified Persons (collectively, the "**Claims**") as a result of, in connection with or in any way related to the DIP Facility, the priority of the DIP Charge, the proposed or actual use of the proceeds of the DIP Facility or this Agreement; provided, however, that the Obligors shall not be obligated to indemnify pursuant to this paragraph any Indemnified Person against any Claim (a) to the extent it resulted from the gross negligence, wilful misconduct, bad faith, or material breach of this Agreement of any Indemnified Person as finally determined by a court of competent jurisdiction, or (b) 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 Obligors. Notwithstanding anything to the contrary herein, the indemnities granted under this Agreement shall survive any termination of the DIP Facility.

No party hereto shall be liable to any other party hereto for consequential, special, or punitive damages arising under this Agreement.

24. **Representations  
and Warranties:**

Each Obligor represents and warrants to the DIP Agent and DIP Lenders, upon which the DIP Agent and each of the DIP Lenders has relied in entering into this Agreement that:

- (a) such Obligor is validly formed and existing under the laws of its jurisdiction of incorporation or formation;
- (b) such Obligor has the power and capacity to own or lease and operate its property, to carry on its business ~~as now conducted~~ **and as proposed to be conducted**, and subject to Court approval of this Agreement, to enter into, execute, deliver and perform its obligations under this Agreement;
- (c) such Obligor has taken all necessary action to authorize the execution, delivery and performance of this Agreement. Subject to the issuance of the Second Amended and Restated Initial Order and the terms thereof, no consent or authorization of, filing with, notice to or any other act by, or in respect of, any

governmental authority or other person is required in connection with the extensions of credit hereunder or with the execution, delivery, performance, validity, or enforceability of this Agreement;

- (d) this Agreement and the transactions contemplated by this Agreement:
  - (i) are within the powers of such Obligor and, subject to the granting of the Second Amended and Restated Initial Order, constitute legal, valid and binding obligations of such Obligor, enforceable against it in accordance with the terms hereof;
  - (ii) have been duly authorized, executed and delivered by or on behalf of such Obligor; and
  - (iii) subject to the granting of the Second Amended and Restated Initial Order, as applicable, do not and will not conflict with, contravene, violate or result in a breach of: (A) any of the terms or provisions of such Obligor's constating documents or by-laws, (B) any Material Contracts to which such Obligor is a party or pursuant to which any of its assets or property may be affected or (c) any applicable Law;
- (e) ~~the~~The Business ~~of such Obligor~~ has been and will continue to be conducted in material compliance with all applicable Laws ~~(including environmental laws)~~ and Authorizations of each jurisdiction in which the Business has been or is being carried on subject to the provisions of the CCAA and any Court order made after the date of the Initial Order, ~~and such Obligor has no knowledge of any facts which result in, constitute, or are likely to give rise to, non-compliance with any Laws in any material respect;~~
- (f) such Obligor owns, leases or has the lawful right to use all of the material properties and undertaking necessary for the conduct of the business of such Obligor;
- (g) such Obligor has obtained and/or maintained any material Authorizations for the operation of the Business, which Authorizations remain, and after entering into the DIP Facility will remain, in full force and effect, and no proceedings have been commenced to revoke or amend any such Authorizations;
- (h) such Obligor does not have any defined benefit pension plans or similar plans and is in material compliance with all applicable Law respecting its employees' employment and all collective bargaining agreements to which it is a party or otherwise bound;
- (i) such Obligor is current on its material post-filing payment obligations for rent and other occupancy costs and expenses in respect of any premises that it leases;
- (j) all of such Obligor's material obligations (including fiduciary, funding, investment and administrative obligations, if any)

- required to be performed in connection with such Obligor's employee benefit plans have been performed on a timely basis;
- (k) such Obligor has filed all Tax returns which were required to be filed and paid all Taxes (including interest and penalties) which are due and payable, except ~~(i) as disclosed to the DIP Lenders' advisors on [ ], 2026 at [ ]am/pm or (ii)~~ for charges, fees, or dues which are not material in amount or which are not delinquent or, if delinquent, are being contested in good faith if adequate reserves for payment of such obligations in the event that such contests are unsuccessful;
  - (l) such Obligor and each of its subsidiaries has good and valid title to, or legally binding property right in, or valid leasehold interests in, all material real property necessary or used in the ordinary conduct of its business, in each case free and clear of all Encumbrances other than Permitted Liens and except for minor defects in title as would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the operations or financial condition of the Obligors taken as a whole;
  - (m) all information provided by or on behalf of such Obligor to the DIP Lenders, including with respect to the Steensby Expansion and the status of the SISF, for the purposes of or in connection with this Agreement or any transaction contemplated herein, is true and accurate in all material respects on the date as of which such information was provided, not incomplete and does not omit to state any fact necessary to make such information (taken as a whole) not materially misleading at such time, in light of the circumstances under which such information was provided;
  - (n) none of the Obligors owns or controls, directly or indirectly, any subsidiaries which are not Obligors~~;~~;
  - (o) each Obligor maintains adequate insurance coverage, as is customary with companies in the same or similar business 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;
  - (p) except for those defaults which are stayed by the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order, or as disclosed to the DIP Lenders in writing on or after the date hereof, all Material Contracts are in full force and effect and are valid, binding and enforceable in accordance with their terms, and the Obligors do 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 Obligors or any of their affiliates or the commencement of the CCAA Proceeding);
  - (q) except as disclosed to the DIP Lenders in writing on or after the date hereof, there are no agreements of any kind (i) between the

Obligors and any other third party or any holder of debt or Equity Securities of the Obligors with respect to any Restructuring Transaction, which remain in force and effect as of the date hereof, or (ii) between the Borrowers and any related party;

- (r) other than potential proceedings in connection with the Second Amended and Restated Initial Order to be sought by the Borrower, or this DIP Facility, or as stayed pursuant to the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order, there is not now pending or, to the knowledge of any of the senior officers of the Obligors, threatened against the Obligors, nor has any Obligor received notice in respect of, any claim, potential claim, litigation, action, suit, arbitration or other proceeding by or before any court, tribunal, governmental entity or regulatory body, in each case that would reasonably be expected to be material and adverse to the Obligors, taken as a whole;
- (s) each Obligor has maintained and paid current its material obligations, as applicable, 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; and

~~(t) the Borrowers have not taken or omitted to take any action that would reasonably be expected to materially impact their continued operations, including (i) failing to procure any essential products needed before the shipping window closes (such as critical spare parts and any equipment, consumables, and supplies which are otherwise unable to be delivered during other months), (ii) ceasing their mining operations, or (iii) reducing their workforce in a manner which would reasonably be expected to cause such a material adverse impact; and~~

(t) ~~(u)~~ no Default or Event of Default has occurred and is continuing.

25. **Affirmative Covenants:**

In addition to all other covenants and obligations contained herein, each Obligor agrees and covenants to perform and do each of the following until the DIP Facility is fully repaid or assigned with the written consent of the Required DIP Lenders:

- (a) submit to the Court the Second Amended and Restated Initial Order, and any other Court orders which are being sought by the Obligors in a form confirmed in advance to be satisfactory to the Required DIP Lenders subject to any amendments that are required by the Court that are acceptable to the Required DIP Lenders (acting reasonably);
- (b) materially comply with the provisions of all Court orders made in the CCAA Proceeding, including the Initial Order, Amended and Restated Initial Order and the Second Amended and Restated Initial Order;
- (c) use commercially reasonable efforts to allow each of the DIP

Agent, DIP Lenders and their respective employees, agents, advisors and representatives access to all Collateral, information and documentation of the Obligors, to visit, inspect and conduct examinations of any of such Collateral, information and documentation (including any books and records) and discuss its business operations, properties and financial and other conditions with its officers, employees and independent public accountants, in each case, as may be reasonably requested by the DIP Agent or Required DIP Lenders, during normal business hours, in each case subject to applicable privacy laws and solicitor-client privilege; *provided* that visits to Nunavut by any of the foregoing parties shall be subject to such limitations as the Borrowers reasonably determine are necessary including due to cost, interference with operations, sealift, shipping season, and the SISP;

- (d) preserve, renew, maintain and keep in full force its corporate existence and its material Authorizations required in respect of the Business or any of the Collateral;
- (e) keep the DIP Lenders apprised on a timely basis of all material developments with respect to the Business and affairs of the Obligors, including with respect to updates regarding the CCAA Proceeding, the SISP, and the Steensby Expansion;
- (f) conduct the Business and preserve, protect and maintain the Collateral in the ordinary course of Business;
- ~~(g) operate and maintain its respective properties and businesses in all material respects in accordance with industry practice~~ and in all material respects in accordance with applicable Law and all Court orders made in the CCAA Proceeding, including the Initial Order, Amended and Restated Initial Order and the Second Amended and Restated Initial Order;
- (g) ~~(h)~~ except to the extent otherwise agreed by the ~~Required~~ DIP Lenders Lender (acting reasonably), ~~pay all applicable Priority Payables and all other amounts necessary to~~ preserve the Collateral ~~to and~~ avoid any Encumbrance thereon ~~and to carry on the business of each Obligor in the ordinary course~~;
- (h) ~~(i)~~ promptly notify the DIP Lenders of the occurrence of any Default or Event of Default;
- ~~(j) comply in all material respects with all applicable Laws, rules and regulations applicable to its business, including environmental laws;~~
- (i) ~~(k)~~ use the proceeds of the DIP Facility in a manner consistent with the restrictions set out herein and in all cases in accordance with the Approved Cash Flow Forecast (subject to Permitted Variances);
- (j) ~~(l)~~ duly and punctually pay or cause to be paid to the DIP Agent on behalf of the DIP Lenders all principal, interest, fees, and

other amounts payable by it under this Agreement on the dates, at the places and in the amounts set forth herein;

- (k) ~~(m)~~ on or prior to 5:00 p.m. (Toronto time) on the Monday of every fourth calendar week beginning after the date of this Agreement (each, a “**Testing Period**”), the Obligors shall have delivered to the DIP Agent and DIP Lenders (x) an Updated Cash Flow Forecast and (y) a Variance Report;
- (l) ~~(n)~~ the Obligors shall have delivered to the DIP Lenders a business plan that is in form and substance satisfactory to the Required DIP Lenders, acting reasonably, by no later than ~~the date that is three (3) months after the issuance of the Initial Order;~~ and September 30, 2026;
- ~~(o) On or prior to June 5, 2026 (or such later date as may be agreed to by the Borrowers and the Required DIP Lenders), the Obligors shall have entered into a key employee retention plan and/or a key employee incentive plan in form and substance acceptable to the Required DIP Lenders.~~
- (m) ~~(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 Obligors 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 Agent to be listed as a loss payee or additional insured (as applicable) on such insurance policies and notify the DIP Lenders of any claims or losses exceeding \$2,000,000. The Approved Cash Flow Forecast shall permit funding sufficient to pay the premiums in respect of such insurance;
- (n) As soon as commercially reasonable but no later than July 15, 2026 (or such later date as may be agreed by the Borrowers and the Required DIP Lenders), the Obligors shall have entered into a key employee retention plan and/or a key employee incentive plan in form and substance acceptable to the Required DIP Lenders;
- (o) ~~(q)~~ provide the DIP Agent and the DIP Lenders (by email to their counsel being sufficient) with draft copies of, and the opportunity to comment on, all motions, applications, proposed Court orders and other materials or documents that the Obligors intend to file in the CCAA Proceeding at least two (2) Business Days prior to 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 material or document is served on the service list in respect of the CCAA Proceeding;
- (p) ~~(r)~~ promptly provide notice to the DIP Agent, the DIP Lenders and their counsel, and keep them otherwise apprised, of any material developments in respect of any Material Contract, and

of any material notices, orders, decisions, letters, or other documents, materials, information or correspondence received from any regulatory authority having jurisdiction over any Obligor, in each case which would reasonably be expected to have a material adverse effect on the Obligors' operations, business, or ability to perform under this Agreement and subject to any disclosure restrictions at Law or contained in any Court order or that, in the opinion of the Obligors (in consultation with the Monitor), each acting reasonably, are necessary to protect the Borrowers' restructuring process;

~~(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 any Obligor 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 \$1,000,000;~~

(q) ~~(t)~~ take all commercially reasonable actions necessary or available to defend any Court orders in the CCAA Proceedings 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 Charge;

~~(u) continue business operations in all material respects in the ordinary course ensuring full utilization of the shipping window, including (i) ensuring fuel and other necessary products for operations are secured for continued operations and (ii) shipping out all ready to ship product for sale; and the Borrowers will not materially change employee head count or staffing requirements except as may be needed to optimize cost structure and operations subject to the Approved Cash Flow Forecast and the prior written consent of the Required DIP Lenders;~~

(r) ~~(v)~~ maintain all Authorizations during the term of the DIP Facility in full force and effect and use commercially reasonable efforts to defend each such Authorization against revocation or amendment thereof, including by complying with the terms thereof;

~~(w) maintain in good repair, working order and condition all material properties and assets used or useful in the business of the Borrowers and make all such appropriate repairs thereto;~~

(s) ~~(x)~~ consult with the DIP Lenders from time to time at their reasonable request regarding which contracts are to be disclaimed in the CCAA Proceedings;

(t) ~~(y)~~ execute and deliver such loan and security documentation as may be reasonably requested by the DIP Agent or the Required DIP Lenders from time to time;

- (u) ~~(z)~~ promptly pay or cause to be paid, as set forth in section 13 hereof, all DIP Lender Expenses no less frequently than every two weeks, provided that the DIP Lenders shall use commercially reasonable efforts to provide reasonable estimates of such expenses for purposes of the Approved Cash Flow Forecast; and
- (v) retain, within 15 Business Days of the end of the Bridge Period, and subsequently keep in place at all times, a chief restructuring officer, with customary powers and responsibilities, which is acceptable to the Required DIP Lenders.

26. **Negative Covenants:**

Each Obligor covenants and agrees not to do the following, and not to permit any of its subsidiaries to do the following, in each case other than with the prior written consent of the Required DIP Lenders from and after the date hereof:

- (a) make any payment of principal or interest in respect of Indebtedness (other than the DIP Facility) or declare or pay any dividends or make any other distribution in respect of its equity interests, in each case, except as expressly provided in the Approved Cash Flow Forecast (without regard to Permitted Variances);
- (b) except as set forth in any Court order that is acceptable, acting reasonably, to the Required DIP Lenders, incur or permit to exist any Indebtedness (including, without limitation, any capital lease obligation, equipment lease, financing lease obligation, or debtor in possession financing other than the DIP Facility) other than as expressly provided in the Approved Cash Flow Forecast (without regard to Permitted Variances);
- (c) except as set forth in any Court order that is acceptable to the Required DIP Lenders, acting reasonably, create, incur, or permit to exist any Encumbrance, or provide or seek to support a motion by another party to provide an Encumbrance, upon any of its properties or assets, in each case other than Permitted Liens;
- (d) make any payments or use any monies (including, without limitation, proceeds of the DIP Facility) outside of the ordinary course of Business, unless provided for in the Approved Cash Flow Forecast (subject to Permitted Variances) or to ensure ongoing supply of goods or services essential for the business;
- (e) make any investments in, acquisitions of, or loans to, or guarantee the Indebtedness or obligations of, any other Person, entity or assets, except as expressly provided in the Approved Cash Flow Forecast (without regard to Permitted Variances);
- (f) except between Obligors, enter into or continue performance under any transaction with any affiliate or any of its or its affiliates' respective direct or indirect equity holders, senior officers, directors, managers or employees, except in the

ordinary course of business for a bona fide business purpose and not for any other purpose, except as expressly provided in the Approved Cash Flow Forecast (without regard to Permitted Variances); for certainty, nothing herein shall restrict the Obligors' rights to disclaim any of the above contracts or arrangements with related parties or associates or Affiliates of related parties in accordance with the CCAA;

- (g) enter into or continue performance under any transaction which does not provide for fair and reasonable terms which are no less favorable than those that would be obtained in arm's-length transactions of a similar type;
- (h) make any Prohibited Payments;
- (i) make any type of payment, or otherwise satisfy any claim, purported claim, liability, or other obligation, including without limitation of any pre-CCAA filing claim, that is not expressly provided for by the Approved Cash Flow Forecast;
- (j) change its jurisdiction of incorporation or registered office;
- (k) change its name, fiscal year end or accounting policies or amend its organizational documents;
- (l) cease to carry on the Business as currently being conducted or materially change its operations or business practices;
- (m) sell, assign, lease, convey or otherwise dispose of or transfer any material property, assets or undertakings, except for iron ore product or disposition of obsolete, redundant or ancillary assets or as may be approved by the Court with the prior written approval of the Required DIP Lenders;
- (n) except as otherwise required under any Court order which is acceptable to the Required DIP Lenders or as expressly provided for in the Approved Cash Flow Forecast or this Agreement, establish or make any retention or bonus payments, increase compensation or severance entitlements or other benefits payable to directors, senior officers or senior management, or pay any bonuses whatsoever;
- (o) enter into any settlement agreement or agree to any settlement arrangements with any regulatory authority or in connection with any material litigation, arbitration, other investigations, proceedings or disputes or other similar proceedings which are threatened or pending against the Obligor;
- (p) enter into any amalgamation, reorganization, liquidation, dissolution, winding-up, merger or other similar transaction or series of transactions, allow any change of control to occur, or create or acquire any new subsidiary or become a general partner in any partnership that does not provide for the full repayment of the obligations under the DIP Facility;
- (q) amend, supplement, revoke, terminate or discharge or seek to

amend, supplement, revoke, terminate or discharge, the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order, except to amend and restate the Amended and Restated Initial Order as may be permitted by this Agreement;

- (r) apply for or consent to, any Court order, or amendment or modification to an existing Court order which adversely affects or would reasonably be expected to adversely affect the DIP Agent or the DIP Lenders;
- (s) file or support the confirmation of any plan of arrangement or liquidation, in each case, that treats the DIP Obligations as “affected” without the consent of the Required DIP Lenders;
- ~~(t) (i) enter into any material transaction or material agreements or (ii) amend or modify any existing agreements or transaction terms, in each case, including royalty agreements or similar agreements, without the consent of the Required DIP Lenders; provided that no such consent shall be needed to amend or modify any contract if such amendment or modification (i) does not affect the pre or post petition priority or value of any claim held by any DIP Lender, (ii) does not negatively impact the Borrowers’ net cash flows or liquidity, and (iii) would not reasonably be expected to negatively impact the terminal value of the business from the perspective of potential purchasers;~~
- (t) cancel or terminate any Material Contract, without the prior written consent of the DIP Lender;
- (u) without the consent of the Required DIP Lenders, satisfy the delivery or other performance obligations and/or payment obligations under its contracts with Glencore plc or any of its affiliates, including, without limitation, any obligations to process or deliver iron ore;-
- (v) take (or omit to take) any action to the extent such action would reasonably be expected to materially impair or otherwise adversely affect the ability of the Obligors to utilize any net operating losses, tax credit carry-forwards, built-in losses, basis, deductions or other tax attributes or ~~benefit~~benefits, in each case, without the prior written consent of the Required DIP Lenders;
- (w) issue any Equity Securities, create any new class of Equity Securities, amend any terms of its existing Equity Securities, consent to or take any steps in furtherance of the exercise of any conversion right under any Equity Securities issued by it, or incorporate, create, or organize any new subsidiaries other than in connection with a Restructuring Transaction approved pursuant to a Court order which is acceptable to the Required DIP Lenders, acting reasonably; or
- ~~(x) seek, obtain, support, make or permit to be made any Court order or~~

~~any change, amendment or modification to any Court order that would reasonably be expected to materially affect the rights or protections of the DIP Agent or the DIP Lenders under or in connection with the DIP Facility or the DIP Charge, except with the prior written consent of the Required DIP Lenders, in their sole discretion;~~

~~(y)~~ (x) seek or consent to the lifting of the stay of proceedings in the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order, as applicable, in favour of the Borrowers, or seek or consent to the appointment of a receiver or trustee in bankruptcy or any similar official in any jurisdiction;

~~(z) make any changes to the composition of the board of directors of the Borrowers (including the addition, removal or replacement of directors, other than a resignation by a director), other than pursuant to a Court order acceptable to the Required DIP Lenders or with the Required DIP Lenders' approval (in their sole discretion); or~~

~~(aa) interfere with the Monitor in any efforts it undertakes to (i) meet and communicate with the DIP Agent and DIP Lenders and (ii) provide regular reports to the DIP Agent and DIP Lenders with respect to the DIP Facility and the CCAA Proceeding.~~

27. **Sales and Investment Solicitation Process; Expansion:**

Unless otherwise agreed by the Supermajority DIP Lenders, the Borrowers and the DIP Lenders agree that the Borrowers (in consultation with the Monitor and the DIP Lenders) shall pursue a sales and investment solicitation process in form and substance acceptable to the Borrowers and the Supermajority DIP Lenders (the "SISP") approved pursuant to a Court order in respect of potential Restructuring Transactions and any such SISP shall include the following milestones (collectively, the "SISP Milestones"):

- (a) the deadline for the commencement of the SISP will be no later than 3 months after the issuance of the Second Amended and Restated Initial Order;
- (b) the deadline for the receipt of first round bids in connection with the SISP will be no later than 6 months after the issuance of the Second Amended and Restated Initial Order;
- (c) the Borrowers shall complete all site visits for bidders prior to October 31, 2026; and
- (d) the final deadline for the closing of a transaction resulting from the SISP will be no later than 12 months after the commencement of the SISP,

provided that the Borrowers may extend each of the foregoing dates in accordance with the Court order approving the SISP, which Court order shall be in form and substance acceptable to the Supermajority DIP Lenders; provided further however that nothing herein shall prohibit the pursuit of a Restructuring Transaction pursuant to a Court approved

plan at any time. For the avoidance of doubt, any DIP Lender or the DIP Agent may participate as a bidder in connection with any SISP in respect of potential Restructuring Transactions or Alternative Offtake and Service Agreements.

28. **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 Agreement:

- (a) any Court order is issued, dismissed, stayed, reversed, vacated, amended or restated and such issuance, dismissal, stay, reversal, vacating, amendment or restatement which (i) stays, reverses, vacates or otherwise modifies this Agreement or (ii) adversely affects or would reasonably be expected to adversely affect the enforceability of this Agreement or the DIP Charge unless the DIP Agent or Required DIP Lenders, as applicable, have given their prior written consent thereto, including the issuance of a Court order:
  - (i) appointing a receiver and manager, receiver, interim receiver or similar official in respect of an Obligor;
  - (ii) terminating, lifting or amending the stay imposed within the CCAA Proceeding in a manner which, in the opinion of the Required DIP Lenders, acting reasonably, is materially prejudicial to the DIP Lenders;
  - (iii) granting any other claim or Encumbrance of equal or priority status to that of the DIP Charge, other than the Priority Charges or the Priority Payables; or
  - (iv) prejudicially affecting the DIP Agent, DIP Lenders or the Collateral;
- (b) failure of an Obligor to diligently oppose any party that brings an application or motion for any of the relief set out in subsection ~~2728(a) above and/or the failure to secure the dismissal of such motion or application within 30 days from the date that such application or motion is brought (provided no affirmative Court order is issued on such motion or application during such period);~~<sub>1</sub>
- (c) the CCAA Proceeding is terminated or converted to bankruptcy proceedings;
- (d) failure of the Borrowers to (i) pay principal, interest or other amounts when due pursuant to this Agreement or any other document entered into in connection herewith, or (ii) pay or cause to be paid any reasonable and documented DIP Lender Expenses within two (2) Business Days of being invoiced therefor (either in cash or via Deemed Draws), *provided* that such invoices are delivered no more frequently than every two weeks, ~~and such failure, in the case of each of items (i) and (ii), remains unremedied for more than two (2) Business Days;~~

- (e) any Obligor ceases to carry on or maintain the Business or its assets in the ordinary course of the Business in compliance with the covenants contained in this Agreement, except where such cessation is otherwise consented to in advance in writing by the Required DIP Lenders;
- (f) any representation or warranty made or given hereunder by any Obligor shall be incorrect or misleading in any material respect when made;
- (g) any material violation or breach of any court order by an Obligor;
- (h) failure of an Obligor to (x) perform or comply with any term or covenant of this Agreement ~~and such failure shall continue for more than five (5) Business Days after the earlier to occur of (i) any one or more of the Obligors having knowledge of such Event of Default or (ii) written notice of such Event of Default from the DIP Agent to the Borrowers, in either case, at the direction of the Required DIP Lenders to the Borrowers~~ or (y) achieve the SISF milestones in accordance with section 26;
- (i) any proceeding, motion or application is commenced or filed by the Obligors, or if commenced by another party, is supported or otherwise consented to by the Obligors, seeking the invalidation, subordination or other challenging of the terms of the DIP Facility, the DIP Lenders' Charge, or this Agreement;
- (j) any Obligor makes any payments of any kind not permitted by this Agreement, the Approved Cash Flow Forecast or any order of the Court;
- (k) any plan is filed or sanctioned by the Court in a form and in substance that is not acceptable to the Required DIP Lenders if such plan does not either provide for the repayment of the obligations under the DIP Facility in full by the Maturity Date, or designate the DIP Lenders as unaffected by such plan;
- (l) any Obligor shall file a motion seeking, or take any action supporting a motion seeking, or the Court shall issue, an order, authorizing the sale or liquidation of substantially all or a material portion of its assets unless, in each case, either (i) the Required DIP Lenders consent to the filing of such motion, or (ii) the Court order approving such sale or liquidation contemplates payment in full in cash of all the DIP Obligations;
- ~~(m) any event or occurrence that materially adversely affects the Obligors, their business or their assets, in each case taken as a whole, as determined by the Required DIP Lenders in their sole discretion;~~
- ~~(n) a default (other than a default resulting from the insolvency of the Borrowers or the commencement of the CCAA Proceeding by the Borrowers, including, for greater certainty, as a result of failure to pay pre-filing amounts as a result of the~~

~~commencement of the CCAA Proceeding) under any Material Contract, or any material amendment of any Material Contract unless agreed to by the Required DIP Lenders in writing;~~

- (m) ~~(e)~~ any change of control of any one or more of the Obligors that does not provide for the full repayment in cash of the obligations under the DIP Facility without the consent of the Required DIP Lenders;
- ~~(p) any Authorization issued to any Obligor is terminated, revoked, or suspended and such termination, revocation, or suspension has or would reasonably be expected to have a material adverse effect on the operations, financial condition, and/or future prospects of the Obligors taken as a whole;~~
- (n) ~~(q)~~ any Obligor does not comply with any material term or condition of the SISP;
- (o) ~~(r)~~ the priority of the Liens as contemplated hereby created pursuant to or under the DIP Security in favor of the DIP Agent for the benefit of the DIP Lenders is varied without the consent of the DIP Agent at the direction of the DIP Lenders or any of such Liens does not have the priority required hereunder for any reason in any jurisdiction;
- (p) ~~(s)~~ any Obligor commences an action or any other proceeding in any proceeding or in any other court to (i) obtain any form of relief against the DIP Agent or DIP Lenders (or any one or more of them) including without limitation a proceeding to recover damages from the DIP Agent or the DIP Lenders or to obtain payment of any amounts purported to be owing by the DIP Agent or the DIP Lenders (or any one or more of them) to any Obligor if the DIP Agent or the DIP Lenders (or any one or more of them) disputes any of the same or (ii) challenge in any way the enforceability of this Agreement or any document entered in connection herewith or the Liens granted under or pursuant to the DIP Security; *provided*, for the avoidance of doubt, that an Obligor's enforcement of this Agreement against any DIP Lender shall not be an Event of Default under this clause 28(s);
- (q) ~~(t)~~ any Obligor seeks, or consents to, any amendment of the SISP without the prior written consent of the DIP Agent at the direction of the Supermajority DIP Lenders;
- (r) ~~(u)~~ the expiry without further extension of the stay of proceedings in the CCAA Proceeding;
- (s) ~~(v)~~ the denial or purported repudiation by any Obligor of the legality, validity, binding nature, or enforceability of this Agreement or any document entered into in connection herewith, or any Obligor commencing any action or proceeding in any proceeding for a declaration or order to such effect;
- (t) ~~(w)~~ this Agreement or any other document entered into in connection herewith (and for certainty including without limitation

the DIP Security) ceases to be enforceable;

- (u) ~~(x)~~ except as stayed by order of the Court, the entry of one or more final judgements, writs of execution, garnishments or attachments representing a claim or claims in excess of ~~\$100,000~~500,000 or the equivalent amount thereof in any other currency, in the aggregate, against any Obligor or the property and assets of any Obligor which are subject to the Liens in favor of the DIP Agent for the benefit of the DIP Lenders that is not released, bonded, satisfied, discharged, vacated, stayed or accepted for payment by an insurer within 30 days after its or their entry, commencement or levy;
- (v) ~~(y)~~ (i) a Variance Report or Updated Cash Flow Forecast is not delivered ~~within two (2) Business Days of~~on the day on which such Variance Report or Updated Cash Flow Forecast is required to be delivered pursuant to this Agreement, or (ii) there shall exist any variance in excess of any Permitted Variance, including any Permitted Variance specific to any disbursement line item as set forth in the definition of "Permitted Variance"; or
- (w) ~~(z)~~ the retaining or appointment of either (i) a chief restructuring officer or Person in a similar role or (ii) a Monitor with expanded powers, in each case other than with the prior consent of the Required DIP Lenders or pursuant to a Court order which is acceptable to the Required DIP Lenders.

29. **Remedies:**

Upon the occurrence and continuance of an Event of Default which is continuing on the date which is five (5) Business Days after the Borrower has received written notice of such Event of Default from the DIP Lender or the DIP Agent (acting at the direction of the Required DIP Lenders), the DIP Agent (acting at the direction of the Required DIP Lenders) or the Required DIP Lenders may elect on prior written notice to the Borrowers and the Monitor to:

- (a) set-off, consolidate or accelerate all amounts outstanding under the DIP Facility (including the Commitment/Funding Fee) and declare such amounts to be immediately due and payable;
- (b) terminate the DIP Facility;
- (c) apply for a Court order, on terms satisfactory to the Monitor and the Required DIP Lenders, providing the Monitor with the power, in the name of and on behalf of the Borrowers, to take all necessary steps in the CCAA Proceeding to realize on the Collateral, including applying to the Court for the appointment of a receiver, interim receiver or receiver and manager over the Borrowers or all or certain of their Collateral, or for the appointment of a trustee in bankruptcy in respect of the Borrowers;
- (d) exercise the powers and rights of a secured party; and
- (e) exercise all such other rights and remedies available to the DIP

Lenders hereunder, or pursuant to the Initial Order or otherwise in accordance with applicable Law.

The DIP Agent (acting at the direction of the Required DIP Lenders) may use (for certainty, on the instructions of the Required DIP Lenders in accordance with the definition thereof and section 34) any or all of the DIP Obligations as a credit bid and/or to pay for some or all of the purchase price (including any deposit payable in connection with such transaction) in connection with (a) any purchase of some or all of the properties and assets of the Borrowers and the Guarantors (or any one or more of them), (b) any Restructuring Transaction agreed to by the Borrowers (in consultation with the Monitor) and the Required DIP Lenders, in each case subject to any Court order and such reasonable terms and conditions as may be required in the opinion of the Borrowers (in consultation with the Monitor), each acting reasonably, to protect the Borrowers' restructuring process.

30. **Taxes:**

All payments by an Obligor under this Agreement, including any payments required to be made from and after the exercise of any remedies available to the DIP Agent and/or the DIP Lenders upon the occurrence and continuance of an Event of Default, shall be made free and clear of, without reduction for or on account of, any present or future 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 Agreement, the amounts 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 hereunder at the rate or in the amount specified hereunder and the Obligors shall provide evidence satisfactory to the Required DIP Lenders that the Taxes have been so withheld and remitted.

If the Borrowers pay an additional amount to the DIP Lenders to account for any Withholding Taxes, the DIP Lenders shall reasonably cooperate with the Borrowers 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 Borrowers promptly. If reasonably requested by the Borrowers, 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 Borrowers and assist the Borrowers to minimize the amount of Withholding Tax required, in each case at the Borrowers' sole expense.

31. **Termination by Borrowers**

The Borrowers shall be entitled to terminate this Agreement upon notice to the DIP Lenders 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 Borrowers and the DIP Lenders under this Agreement 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 Agreement.

32. **Further Assurances:** The Obligors shall, at their own expense, from time to time do, execute and deliver or will cause to be done, executed and delivered, all such further acts, documents (including, without limitation, certificates, declarations, affidavits, reports and opinions) as the Required DIP Lenders may reasonably request for the purpose of giving effect to this Agreement.
33. **Entire Agreement:** This Agreement constitutes the entire agreement between the parties related to the subject matter hereof. To the extent there is any inconsistency between this Agreement and any other documents entered into in connection herewith, this Agreement shall prevail.
34. **Amendments and Waivers:** 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 Agreement.

All consents, waivers or amendments to or in connection with this Agreement and the DIP Facility and the transactions contemplated hereby or thereby must be in writing and if approved in writing by the DIP Agent at the direction of the Required DIP Lenders shall be binding on all of the DIP Lenders including those Lenders which did not execute any such consent, waiver or amendment; and any matters, documents or other things required to be acceptable or satisfactory to the DIP Lenders are and shall be deemed to be acceptable and satisfactory to all the DIP Lenders if acceptable or satisfactory to the DIP Agent at the direction of the Required DIP Lenders; provided that and for certainty, no consent, waiver or amendment shall be binding on the DIP Lenders unless each of the DIP Lenders executes a consent, waiver or amendment for any of the following matters: (a) increase the amount of any Lender's DIP Facility commitment amount; (b) change to the Maturity Date other than as expressly provided for herein; (c) postpone or delay the date for payment of any principal, interest or other DIP Obligations; (d) reduce the principal amount owing by the Borrowers or the rate of interest or any other fees applicable to amounts owing or to become owing hereunder or under the other documents in connection herewith; (e) change the pro rata commitments of any of the DIP Lenders in connection with the DIP Facility; (f) amend this section 34, the definition of "Required DIP Lenders", the definition of "Supermajority DIP Lenders" or any provision providing for consent or other action by all or any specific percentage or portion of the DIP Lenders; (g) discharge any Obligor from its payment obligations hereunder or under any other document in connection herewith or release any DIP Security except as may be expressly provided for in this Agreement; or (h) amend the

terms and conditions of the application of proceeds of any repayments or the sharing of payments; provided further that any consent, amendment, waiver or other modification with respect to this Agreement that would adversely and disproportionately modify the rights of any DIP Lender (in its capacity as such) under the DIP Facility compared to other DIP Lenders shall require the prior written consent of each such affected DIP Lender. Notwithstanding anything to the contrary contained herein, any consent, amendment, waiver or other modification that subordinates, or has the direct or indirect effect of subordinating, (x) any DIP Obligations in right of payment to any other Indebtedness for borrowed money or (y) any Encumbrances securing the DIP Obligations to any Encumbrances securing any other Indebtedness for borrowed money, in each case, shall require the prior written consent of the Supermajority DIP Lenders.

In addition, the Required DIP Lenders shall consult all other DIP Lenders in connection with any consent, waiver, amendment or other modification requiring the consent of the Required DIP Lenders.

35. **Severability:** Any provision in this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.
36. **No Third Party Beneficiary:** No Person, other than the Obligors and the DIP Lenders are entitled to rely upon this Agreement and the parties expressly agree that this Agreement does not confer rights upon any party not a signatory hereto.
37. **Counterparts and Facsimile Signatures:** This Agreement may be executed in any number of counterparts delivered by e-mail, including in PDF format, each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same instrument. Any party may execute this Agreement by signing any counterpart of it.
38. **Assignment:** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. ~~Upon the Borrowers' acceptance of this Agreement, this Agreement shall be amended and restated to include provisions pursuant to which DIP Lenders may assign DIP Loans and/or sell participations in DIP Loans.~~ Any DIP Lender may assign its (i) rights and obligations under the DIP Facility (i) to any Eligible Assignee or, and (ii) ~~to any other person, subject, solely in the case of this clause (ii) and solely to the extent that no Event of Default has occurred and is continuing at the time of such assignment, the Borrowers' prior consent (not to be unreasonably withheld).~~ its rights with respect to outstanding DIP Loans; provided that such assignment does not release such DIP Lender from its obligations to make Advances hereunder subject to the terms and conditions hereof.

Notwithstanding anything to the contrary herein, any DIP Lender may, without the consent of any other party hereto, pledge or grant a security interest in all or any portion of its rights under this Agreement to secure obligations of such DIP Lender to any financing counterparty; *provided* that such pledge or grant of a security interest does not release such DIP Lender from any of its obligations hereunder (including its obligations to make Advances subject to the terms and conditions hereof) or substitute any such pledgee or grantee for such DIP Lender as a party hereto.

39. **Notices:**

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:

in the case of a notice to the Obligors at:

c/o Baffinland Iron Mines Corporation  
360 Oakville Place Dr., Suite 300  
Oakville, Ontario L6H 6K8

Attention: Mark O'Brien  
Email: mark.obrien@baffinland.com

with a copy (which shall not constitute notice) to:

Davies Ward Phillips & Vineberg LLP  
155 Wellington St. W.  
Toronto, ON M5V 3J7

Attention: Natalie Renner and Rob Nicholls  
Email: nrenner@dwpv.com and rnicholls@dwpv.com

in the case of a notice to the DIP Agent at:

■

Attention: ■  
Email: ■

in the case of a notice to the DIP Lenders at the notice information set forth in Schedule A, with copies to:

Paul, Weiss, Rifkind, Wharton & Garrison LLP  
1285 Avenue of the Americas  
New York, NY 10019

Attention: Brian S. Hermann; Brian Bolin; Joseph M. Graham  
Email: bhermann@paulweiss.com; bbolin@paulweiss.com;  
jgraham@paulweiss.com

and

Stikeman Elliott LLP  
199 Bay St. #5300  
Toronto, ON M5L 1B9

Attention: Maria Konyukhova; Logan Copen  
Email: mkonyukhova@stikeman.com;  
lcopen@stikeman.com

and

Akin Gump Strauss Hauer & Feld LLP  
One Bryant Park  
New York, NY 10022

Attention: Ira Dizengoff; Meredith Lahaie; Lucas Charleston  
Email: idizengoff@akingump.com;  
mlahaie@akingump.com; lcharleston@akingump.com

and

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

Attention: Ryan Jacobs and Michael Wunder  
Email: rjacobs@cassels.com and  
mwunder@cassels.com

In either case, with a copy to the Monitor:

FTI Consulting Canada Inc.

Attention: Jeffrey Rosenberg  
Email: Jeffrey.rosenberg@fticonsulting.com

With a copy to, which shall not constitute notice:

Osler, Hoskin & Harcourt LLP  
First Canadian Place, 100 King St. W. #6200  
Toronto, ON M5H 1H1

Attention: Marc Wasserman and Michael De Lellis  
Email: mwasserman@osler.com and mdelellis@osler.com

Any notice delivered or transmitted to a Person as provided above shall be deemed to have been given and received on the day it is delivered or transmitted, provided that it is delivered or transmitted on a Business Day prior to 5:00 p.m. local time in the place of delivery or receipt.

However, if the notice is delivered or transmitted after 5:00 p.m. local time or if such day is not a Business Day then the notice shall be deemed to have been given and received on the next Business Day.

In the event that any amount required to be paid hereunder is due on a day which is not a Business Day, such amount shall be paid on the next following Business Day with applicable interest adjustments.

40. **Governing Law and Jurisdiction:** This Agreement shall be governed by, and construed in accordance with, the Laws of the Province of Ontario and the federal Laws of Canada applicable therein.
41. **Definitions:** For the purposes of this Agreement, unless context otherwise requires, the following terms have the respective meanings set out below, and grammatical variations of such terms have corresponding meanings:
- "Advance"** has the meaning given to that term in section 8;
- "Advance Notice"** has the meaning given to that term in section 8;
- "Affiliate"** of any Person means, at the time such determination is being made, any other Person controlling, controlled by or under common control with such first Person, where "control" means the possession, directly or indirectly, of the power to direct the management and policies of such Person, whether through the ownership of voting securities or otherwise;
- "Agreement"** means this Agreement, including all Schedules, as it may be modified, amended, revised, restated, replaced, supplemented or otherwise changed from time to time and at any time hereafter;
- "Amended and Restated Initial Order"** means the order of the Court entered on May 25, 2026;
- "Alternative Offtake and Service Agreements"** means offtake, service or other agreements in respect of the business of the Borrowers;
- "Approved Cash Flow Forecast"** has the meaning given to that term in section 14;
- "Authorization"** means, with respect to any Person, any order, permit, approval, consent, waiver, licence or similar authorization of any Governmental Authority related to the Collateral or the Business;
- "Benefits Agreement"** means the impact benefits agreement between BIM Corp. and the Qikiqtani Inuit Association dated September 6, 2013, as amended on October 22, 2018, and as may be further amended, supplemented or amended and restated from time to time;
- "Borrowers"** has the meaning given to that term in the recitals;
- "Borrowers' Account"** has the meaning given to that term in section 20;
- "Business"** means the business of iron ore mining at the Mary River Mine on Baffin Island in Nunavut, Canada;

**"Business Day"** means any day other than a Saturday, Sunday or statutory holiday in the Province of Ontario or New York, New York;

**"CAA"** has the meaning given to that term in the recitals;

**"CAA Proceeding"** has the meaning given to that term in the recitals;

**"Collateral"** means all now-owned and hereafter-acquired assets and property of the Obligors, real and personal, tangible or intangible and all proceeds therefrom, including the Borrowers' Account and all assets used in the Business;

**"Commodity Agreement"** means, with respect to any Person, any commodity future or forward, swap or option, cap or collar or other similar agreement or arrangement as to which such Person is a party or a beneficiary;

**"Commitment/Funding Fee"** has the meaning given to that term in section 12;

**"Court"** has the meaning given to that term in the recitals;

**"Currency Agreement"** means, with respect to any Person, any foreign exchange future or forward, swap or option, cap or collar or other similar agreement or arrangement as to which such Person is a party or a beneficiary;

**"Default"** means the occurrence or existence of any event, fact or circumstances, that with the giving of notice, passage of time, or both, would constitute an Event of Default;

**"Default Rate"** has the meaning given to that term in section 12;

**"DIP Agent"** has the meaning given to that term in section 6;

**"DIP Charge"** has the meaning given to that term in section 17;

**"DIP Facility"** has the meaning given to that term in section 7;

**"DIP Lenders"** has the meaning given to that term in section 6;

**"DIP Lender Expenses"** has the meaning given to that term in section 13;

**"DIP Obligations"** has the meaning given to that term in section 17;

**"DIP Security"** means the DIP Charge and any and all security documents granted by the Obligors providing for a security interest in the Collateral and related personal property security registrations made in favour of the DIP Agent, for the benefit of the DIP Lenders, in connection with such security interest together with such confirmations, financing statements, renewals, amendments, discharges, insurance endorsements, opinions or other documents as may be reasonably requested by the Required DIP Lenders as security for the DIP Obligations;

**"EDC"** means Export Development Canada;

**"EDC Credit Agreement"** means that certain credit agreement dated as

of October 7, 2022 (as amended pursuant to an amendment dated September 27, 2023, an amendment dated March 26, 2024, an amendment dated May 27, 2025 and an amendment dated November 24, 2025), by and among the Borrowers, as borrowers, the guarantors party thereto and EDC, as lender;

**"Eligible Assignee"** means (x) any DIP Lender or Affiliate or Related Fund of any DIP Lender, and (y) any SPC as long as the applicable DIP Lender remains obligated in respect of its commitments hereunder, *provided* that no Obligor or any Affiliate of any Obligor shall be an Eligible Assignee.

**"Encumbrances"** means any hypothec, encumbrance, lien, charge, pledge, deposit arrangement, mortgage, title retention agreement, trust, deemed trust, security interest of any nature, easement, encroachment, servitude, restriction on use, right of occupation, any matter capable of registration against title, option, right of first offer or refusal or similar right, restriction on voting (in the case of any voting or equity interest), right of pre-emption or privilege, or any other arrangement or condition that in substance or effect secures payment or performance of an obligation, or any contract to create any of the foregoing;

**"Event of Default"** has the meaning given to that term in section 28;

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

**"Hedging Obligations"** of any Person means the obligations of such Person pursuant to any Interest Rate Agreement, Currency Agreement or Commodity Agreement;

**"Holder AHG"** means an ad hoc group of Holders providing DIP Loans hereunder.

**"Holders"** means holders of the notes under the Indenture.

**"Indebtedness"** of any Person means, at any date, without duplication, (a) all obligations of such Person for borrowed money, including by way of overdraft and drafts or orders accepted as representing extensions of credit, (b) all obligations of such Person evidenced by bonds, debentures, the face amount of all letters of credit, letters of guarantee and similar instruments, notes or other similar instruments, (c) all indebtedness, liabilities and obligations secured by an Encumbrance on any asset of such Person, whether or not the same is otherwise indebtedness, liabilities or obligations of such Person, (d) all indebtedness, liabilities and obligations of others which is, directly or indirectly, guaranteed by such Person or which such Person has agreed

(contingently or otherwise) to purchase or otherwise acquire, (e) all indebtedness, liabilities and obligations in respect of financial instruments which are classified as a liability on the balance sheet of such Person, and (f) all obligations of such Person to otherwise assure a creditor against loss (for certainty, Hedging Obligations incurred by an Obligor in the ordinary course shall not be considered Indebtedness for purposes of this Agreement);

**"Indemnified Persons"** has the meaning given to that term in section 22;

**"Indenture"** means that certain Senior Secured Notes Indenture, dated as of June 27, 2018 (as amended, amended and restated or otherwise modified from time to time prior to the date of this Agreement), by and among the Borrowers, as issuers and the Indenture Agent;

**"Indenture Agent"** means Wilmington Trust, National Association, as trustee and collateral;

**"Initial Advance"** has the meaning given to that term in section 8;

**"Initial Advance Conditions"** has the meaning given to that term in section 15;

**"Initial Order"** means the order of the Court entered on May 15, 2026;

**"Interest Payment Date"** has the meaning given to that term in section 12;

**"Interest Period"** has the meaning given to that term in section 12;

**"Interest Rate Agreement"** means, with respect to any Person, any interest rate future or forward, swap or option, cap or collar or other similar agreement or arrangement as to which such Person is a party or a beneficiary;

**"Interest Rate"** has the meaning given to that term in section 12;

**"Law"** means any federal, provincial, county, territorial, district, municipal, local or foreign, statute, ordinance, regulation, by-law, rule, code, treaty or rule of common law or otherwise of, or any order, judgment, injunction, decree or similar authority enacted, issued, promulgated, enforced or entered by, any Governmental Authority;

**"Loan Amount"** has the meaning given to that term in section 7;

**"Material Contract"** means any contract, license or agreement: (i) to which a Borrower or Guarantor is a party or is bound; and (ii) which is material to or necessary in the operation of any Borrower or Guarantor.

**"Maturity Date"** has the meaning given to that term in section 21;

**"Stated Maturity Date"** has the meaning given to that term in section 20;

**"Monitor"** means FTI Consulting Canada Inc., as the court-appointed monitor of the Borrowers and Nunavut Iron Ore Mines, Inc.;

**"Obligors"** has the meaning given to that term in section 5;

**“Permitted Liens”** means (i) the Permitted Priority Liens; (ii) the DIP Charge; (iii) any charges created under the Initial Order or other Court order subsequent and subordinated in priority to the DIP Charge; (iv) Encumbrances existing prior to the filing date of the CCAA Proceedings (the “Filing Date”) which are subordinate to the DIP Charge; (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; and (vi) miner’s liens incurred in the ordinary course of business.

**“Permitted Priority Liens”** means (i) the Priority Charges; (ii) any Encumbrance in respect of amounts payable by the Borrowers 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 each case 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 Charge granted by the Court; and (iii) such other Encumbrances existing as of the Filing Date that have not been subordinated to the DIP Charge granted by the Court.

**“Permitted Variance”** means, for each Testing Period, variances in actual receipts and disbursements in amounts such that (a) (i) actual receipts are not less than 90% of projected receipts for (1) such Testing Period and (2) the cumulative period commencing on the date of the initial Approved Cash Flow Forecast and ending on the last day of such Testing Period; (ii) actual disbursements are not more than 110% of projected disbursements for (1) such Testing Period and (2) the cumulative period commencing on the date of the initial Approved Cash Flow Forecast and ending on the last day of such Testing Period, and (b) to the extent any Approved Cash Flow Forecast specifies a lower permitted variance amount (which may be 0%) with respect to a specific disbursement line item, actual disbursements during the applicable Testing Period for such disbursement line item are not higher, on a percentage basis as compared to projected disbursements for such disbursement line item during such Testing Period, than such specified variance amount. For purposes of measuring the foregoing variances: (i) any unaccounted for fluctuation in the price of iron ore shall be excluded from the calculation of actual receipts; (ii) any unanticipated timing fluctuation in receipt of funds from any offtake arrangement shall be excluded from the calculation of actual receipts; provided the Obligors are in full compliance under such offtake arrangement and such timing fluctuation is due to non-compliance thereunder by a third-party; and (iii) the fees, costs, and expenses payable to the Monitor and its advisors and the advisors of the Obligors, as well as the DIP Lender Expenses, shall be excluded from disbursements. No amounts disbursed (x) in violation of any provision of this Agreement or (y) for a purpose which is not included in any line item in the Approved Cash Flow Forecast for the applicable Testing Period shall constitute Permitted Variances regardless of whether the other tests set forth in this definition have been satisfied.

**"Person"** means any individual, sole proprietorship, partnership, firm, entity, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, Governmental Authority, and where the context requires, any of the foregoing when they are acting as trustee;

**"Pre-Approved Steensby CapEx"** means capital expenditures in connection with (a) the Steensby Expansion in an aggregate amount not to exceed \$20 million and (b) exploration costs not to exceed \$10 million.

**"Priority Charges"** has the meaning given to that term in section 17;

**"Priority Payables"** means HST, all sales Tax and any amount payable or accrued by a Borrower which is secured by an Encumbrance which ranks or is capable of ranking prior to or *pari passu* with the Encumbrances created in connection with the DIP Charge (other than the Priority Charges) including amounts accrued or owing for wages, vacation pay, termination pay (only where it is a priority payable), employee deductions, construction trusts or construction liens, and other statutory or other claims that have or may have priority over, or rank *pari passu* with, the Encumbrances created in connection with the DIP Charge;

**"Prohibited Payments"** means any payment or satisfaction of any claim on account of (i) obligations owed (or which satisfaction of which would result in payment to) any direct or indirect beneficial owner of equity interests in any Obligor, including under any royalty agreement (except for any royalty agreement which is properly registered on title, and has been determined by a court of competent jurisdiction in a final, non-appealable Order that royalty granted under such Royalty Agreement is a valid royalty at law and runs with the land); (ii) any transaction which does not provide for fair and reasonable terms which are no less favorable than those that would be obtained in arm's-length transactions of a similar type, except between Obligors; and (iii) obligations incurred prior to the Filing Date unless otherwise approved by the Monitor and the Court;

**"Related Fund"** means, with respect to any Lender that is an investment fund, any other entity that is managed or advised by such DIP Lender or the same investment advisor as such DIP Lender or by an Affiliate of such investment advisor;

**"Required DIP Lenders"** means, as of any time of determination, DIP Lenders holding more than 50% of the sum of all DIP Loans outstanding and undrawn commitments in effect with respect thereto (without taking into account any commitments temporarily held by the Fronting Lender for the account of the ultimate Lenders) at such time;

**"Restructuring Transaction"** means any restructuring, financing, refinancing, recapitalization, sale, liquidation, workout, plan or other material transaction of, or in respect of, the Obligors, or any of them, or all or a material portion of their Business, assets or obligations;

**"Royalty Agreements"** means, collectively, (i) the royalty agreement entered into among the Borrowers, 15877580 Canada Inc., ArcelorMittal Canada Inc., 15877563 Canada Inc. and 15877482 Canada Inc. dated March 25, 2024 and (ii) the royalty agreement entered into among the Borrowers, 16572367 Canada Inc., 15877563 Canada Inc. and 15877482 Canada Inc.;

**"Second Amended and Restated Initial Order"** means an order, or orders, of the Court, in form and substance satisfactory to the Required DIP Lenders and obtained on application made on notice to the service list in the CCAA Proceeding and to such Persons as the Required DIP Lenders and Obligors determine, acting reasonably, among other things, amending and restating the Amended and Restated Initial Order, approving the DIP Facility, granting the DIP Charge and granting the Obligors an extension of the stay of proceedings;

**"Senior Agents"** means, collectively, Alter Domus (US) LLC, as administrative agent and Wilmington Trust, National Association, as the collateral agent, in each case, under the Senior Credit Agreement;

**"Senior Credit Agreement"** means that certain revolving credit agreement dated as of May 26, 2017 (as amended by the first amendment dated June 27, 2018, the second amendment dated October 25, 2019, the third amendment dated February 14, 2022, the fourth amendment dated March 26, 2024, the fifth amendment dated May 27, 2025 and the sixth amendment dated November 24, 2025), by and among the Borrowers, as borrowers, the guarantors party thereto, the Senior Lenders and the Senior Agents;

**"Senior Lenders"** means the lenders under the Senior Credit Agreement;

**"Senior Secured Notes"** means the senior secured notes issued under the Indenture;

**"SISP"** has the meaning given to that term in section 27;

**"SISP Milestones"** has the meaning given to that term in section 27;

**"SPC"** means, with respect to any Lender, any special purpose vehicle identified in writing from time to time to the Administrative Agent and the Borrower that is formed for the purpose of providing all or any portion of the DIP Facility that such Lender would otherwise be obligated to make pursuant to this Agreement.

**"Stated Maturity Date"** has the meaning given to that term in section 21 hereof.

**"Steensby Expansion"** has the meaning given to that term in section 24;

**"Subsequent Advance"** has the meaning given to that term in section 8;

**"Supermajority DIP Lender Budget Consent Right"** has the meaning given to that term in section 14;

**"Supermajority DIP Lenders"** means, as of any time of determination, DIP Lenders holding not less than 66.67% of the sum of all DIP Loans outstanding and undrawn commitments in effect with respect thereto (without taking into account any commitments temporarily held by the Fronting Lender for the account of the ultimate Lenders) at such time; provided that, at all times, "Supermajority DIP Lenders" must include at least three (3) DIP Lenders, which DIP Lenders are not affiliates of each other.

**"Tax"** and **"Taxes"** means any taxes, duties, fees, premiums and assessments imposed by any Governmental Authority, including all interest, penalties, fines or additions to tax imposed by any Governmental Authority in respect thereof, and including those levied on, or measured by, income, gross receipts, profits, capital, transfer, land transfer, sales, goods and services, harmonized sales, excise, withholding, business, franchising, property, development, occupancy, payroll, health, social services, education, employment and all social security taxes, all surtaxes, all customs, duties and import and export taxes, countervail and anti-dumping, all licence, franchise and registration fees and all employment insurance, health insurance and Canada, and other government pension plan premiums or contributions;

**"Updated Cash Flow"** has the meaning given to that term in section 14;

**"Variance Report"** means a report in a form satisfactory to the Required DIP Lenders and the Monitor acting reasonably setting forth for all Obligors (i) actual receipts and disbursements for the preceding Testing Period for each line item in the Approved Cash Flow Forecast for such Testing Period, and (ii) actual receipts and disbursements on a cumulative basis since the beginning of the period covered by the then operative Approved Cash Flow Forecast, in each case as against the then operative Approved Cash Flow Forecast, and setting forth all the variances, on a line-item and aggregate basis in comparison to the amounts set forth in respect thereof in the then operative Approved Cash Flow Forecast. Each Variance Report shall include reasonably detailed explanations for any variances for either receipts or disbursements, in each case exceeding five percent (5%) of the Approved Cash Flow Forecast for each line item in the Approved Cash Flow Forecast and all items on a cumulative basis during the relevant period; and

**"Withholding Taxes"** has the meaning given to that term in section 30.

[Signature page follows]

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

**BORROWERS:**

**BAFFINLAND IRON MINES  
CORPORATION**

by \_\_\_\_\_

**BAFFINLAND IRON MINES LP, by its  
general partner, BAFFINLAND IRON  
MINES CORPORATION**

by \_\_\_\_\_

**GUARANTORS:**

**NUNAVUT IRON ORE, INC.**

by \_\_\_\_\_

**12334992 CANADA INC.**

by \_\_\_\_\_

**SCHEDULE A**  
**DIP FACILITY COMMITMENTS**

<b>DIP Lender</b>	<b>DIP Commitment</b>	<b>Notice Information</b>
Brigade Capital Management, LP	\$30,000,000	
Polen Capital Credit, LLC	\$45,000,000	
Opps XII BLIM Holdings, L.P.	<del>\$180,000,000</del> <u>210,000,000</u>	Oaktree Capital Management 555 South Flower Street, 36 <sup>th</sup> Floor Los Angeles, CA 90071 Attention: David Nicoll Email: dnicoll@oaktreecapital.com
Hartree Partners, LP	<del>\$45,000,000</del> <u>15,000,000</u>	Hartree Partners, LP 1185 Avenue of the Americas, New York, NY 10036 Attention: Scott Potolsky Email: HMFI-notices@hartreepartners.com CC: legalNY@hartreepartners.com
<b>Total.....</b>	<b>\$300,000,000</b>	

**SCHEDULE B**  
**APPROVED CASH FLOW FORECAST**

## SCHEDULE C

### LOAN GUARANTY

(a) Each Guarantor hereby agrees that it is jointly and severally liable for, and, as a primary obligor and not merely as surety, and absolutely and unconditionally and irrevocably guarantees to the DIP Agent for the ratable benefit of the DIP Lenders and the other secured parties (the “**Guaranty**”) the full and prompt payment, when and as the same shall become due, whether at stated maturity, upon acceleration or otherwise, and at all times thereafter, of the DIP Obligations (collectively the “**Guaranteed Obligations**”). Each Guarantor further agrees that the Guaranteed Obligations may be extended or renewed in whole or in part without notice to or further assent from it, and that it remains bound upon its guarantee notwithstanding any such extension or renewal. If any or all of the Guaranteed Obligations becomes due and payable hereunder, each Guarantor, unconditionally and irrevocably, promises to pay such indebtedness to the DIP Agent and/or the DIP Lenders or the other secured parties, on demand, together with any and all expenses which may be incurred by the DIP Agent and the DIP Lenders in collecting any of the Guaranteed Obligations, to the extent reimbursable in accordance with this Agreement.

(b) Guaranty of Payment. This Guaranty is a guaranty of payment and not of collection. Each Guarantor waives any right to require the DIP Agent or any DIP Lender to sue any Borrower, any other Guarantor or any other Person obligated for all or any part of the Guaranteed Obligations (each, an “**Obligated Party**”), or otherwise to enforce its rights in respect of any collateral securing all or any part of the Guaranteed Obligations. The DIP Agent may enforce this Loan Guaranty upon the occurrence and during the continuance of an Event of Default.

(c) No Discharge or Diminishment of Guaranty.

(i) Except as otherwise provided for herein, the obligations of each Guarantor hereunder are unconditional, irrevocable and absolute and not subject to any reduction, limitation, impairment or termination for any reason, including: (i) any claim of waiver, release, extension, renewal, settlement, surrender, alteration, or compromise of any of the Guaranteed Obligations, by operation of law or otherwise; (ii) any change in the corporate existence, structure or ownership of any Obligated Party; (iii) any insolvency, bankruptcy, reorganization or other similar proceeding affecting any Obligated Party, or their assets or any resulting release or discharge of any obligation of any Obligated Party; (iv) the existence of any claim, setoff or other rights which any Guarantor may have at any time against any Obligated Party, the DIP Agent, any DIP Lender or any other Person, whether in connection herewith or in any unrelated transactions; (v) any direction as to application of payments by any Borrower or by any other party; (vi) any other continuing or other guaranty, undertaking or maximum liability of a Guarantor or of any other party as to the Guaranteed Obligations; (vii) any payment on or in reduction of any such other guaranty or undertaking; (viii) any dissolution, termination or increase, decrease or change in personnel by the Borrowers or (ix) any payment made to the DIP Agent or any DIP Lender on the Guaranteed Obligations which any such DIP Agent or DIP Lender repays to any Borrower pursuant to court order in any bankruptcy, reorganization, arrangement, moratorium or other debtor relief proceeding, and each Guarantor waives any right to the deferral or modification of its obligations hereunder by reason of any such proceeding.

(ii) Except for termination of a Guarantor's obligations hereunder, the obligations of each Guarantor hereunder are not subject to any defense (other than defense of payment resulting in a payment in full in cash of the Guaranteed Obligations) or setoff, counterclaim, recoupment, or termination whatsoever by reason of the invalidity, illegality, or unenforceability of any of the Guaranteed Obligations or otherwise, or any provision of applicable law or regulation purporting to prohibit payment by any Obligated Party, of the Guaranteed Obligations or any part thereof.

(iii) Further, the obligations of any Guarantor hereunder are not discharged or impaired or otherwise affected by: (i) the failure of the DIP Agent or any DIP Lender to assert any claim or demand or to enforce any remedy with respect to all or any part of the Guaranteed Obligations; (ii) any waiver or modification of or supplement to any provision of any agreement relating to the Guaranteed Obligations; (iii) any release, non-perfection, or invalidity of any indirect or direct security for the obligations of the Borrowers for all or any part of the Guaranteed Obligations or any obligations of any other Guarantor or of other Person liable for any of the Guaranteed Obligations; (iv) any action or failure to act by the DIP Agent or any DIP Lender with respect to any collateral securing any part of the Guaranteed Obligations; or (v) any default, failure or delay, willful or otherwise, in the payment or performance of any of the Guaranteed Obligations, or any other circumstance, act, omission or delay that might in any manner or to any extent vary the risk of such Guarantor or that would otherwise operate as a discharge of any Guarantor as a matter of law or equity.

(d) Defenses Waived. To the fullest extent permitted by applicable law and except for termination of a Guarantor's obligations hereunder, each Guarantor hereby waives any defense based on or arising out of any defense of any Borrower or any other Guarantor or arising out of the disability of the Borrowers or any other Guarantor or any other party or the unenforceability of all or any part of the Guaranteed Obligations or any part thereof from any cause, or the cessation from any cause of the liability of any Borrower or any other Guarantor. Without limiting the generality of the foregoing, each Guarantor irrevocably waives acceptance hereof, presentment, demand, protest and, to the fullest extent permitted by law, any notice not provided for herein, including notices of nonperformance, notices of protest, notices of dishonor, notices of acceptance of this Guaranty, and notices of the existence, creation or incurrence of new or additional Guaranteed Obligations, as well as any requirement that at any time any action be taken by any Person against any Obligated Party, or any other Person, including any right to require the DIP Agent or any DIP Lender to (i) proceed against any Borrower, any other Guarantor or any other party, (ii) proceed against or exhaust any security held from any Borrower, any other Guarantor or any other party or (iii) pursue any other remedy in any DIP Agent's or DIP Lenders' power whatsoever. The DIP Agent may, at its election, foreclose on any collateral held by it by one or more judicial or nonjudicial sales, whether or not every aspect of any such sale is commercially reasonable (to the extent permitted by applicable law), accept an assignment of any such collateral in lieu of foreclosure or otherwise act or fail to act with respect to any collateral securing all or a part of the Guaranteed Obligations, and the DIP Agent may, at its election, compromise or adjust any part of the Guaranteed Obligations, make any other accommodation with any Obligated Party or exercise any other right or remedy available to it against any Obligated Party, or any security, without affecting or impairing in any way the liability of such Guarantor under this Guaranty. To the fullest extent permitted by applicable law, each Guarantor waives any defense arising out of any such election even though that election may operate, pursuant to applicable law, to impair or extinguish any right of reimbursement or subrogation or other right or remedy of any Guarantor against any Obligated Party or any security.

(e) Authorization. The Guarantors authorize the DIP Agent and the DIP Lenders without notice or demand (except as shall be required by applicable statute and cannot be waived), and without affecting or impairing its liability hereunder, from time to time, to:

(i) change the manner, place or terms of payment of, and/or change or extend the time of payment of, renew, increase, accelerate or alter, any of the Guaranteed Obligations (including any increase or decrease in the principal amount thereof or the rate of interest or fees thereon), any security therefor, or any liability incurred directly or indirectly in respect thereof, and this Guaranty shall apply to the Guaranteed Obligations as so changed, extended, renewed or altered;

(ii) take and hold security for the payment of the Guaranteed Obligations and sell, exchange, release, impair, surrender, realize upon or otherwise deal with in any manner and in any order any property by whomsoever at any time pledged or mortgaged to secure, or howsoever securing, the Guaranteed Obligations or any liabilities (including any of those hereunder) incurred directly or indirectly in respect thereof or hereof, and/or any offset there against;

(iii) exercise or refrain from exercising any rights against any Obligor or others or otherwise act or refrain from acting;

(iv) release or substitute any one or more endorsers, Guarantors, or the Borrowers, or other obligors;

(v) settle or compromise any of the Guaranteed Obligations, any security therefor or any liability (including any of those hereunder) incurred directly or indirectly in respect thereof or hereof, and may subordinate the payment of all or any part thereof to the payment of any liability (whether due or not) of the Borrowers to their creditors other than the DIP Agent or DIP Lenders;

(vi) apply any sums by whomsoever paid or howsoever realized to any liability or liabilities of the Borrowers to the DIP Agent or DIP Lenders regardless of what liability or liabilities of the Borrowers remain unpaid;

(vii) consent to or waive any breach of, or any act, omission or default under, this Agreement or any of the instruments or agreements referred to herein, or otherwise amend, modify or supplement this Agreement or any related documents or other such instruments or agreements; and/or

(viii) take any other action which would, under otherwise applicable principles of common law, give rise to a legal or equitable discharge of the Guarantors from their respective liabilities under this Loan Guaranty.

(f) Rights of Subrogation. Any indebtedness of the Borrowers now or hereafter owing to any Guarantor is hereby subordinated to the Obligations owing to the DIP Agent and the DIP Lenders; and if the DIP Agent so requests at a time when an Event of Default exists, all such indebtedness of the Borrowers to such Guarantor shall be collected, enforced and received by such Guarantor for the benefit of the DIP Agent and the DIP Lenders and be paid over to the DIP Agent on behalf of the DIP Lenders on account of the Guaranteed Obligations, but without affecting or impairing in any manner the liability of such Guarantor under the other provisions of this Guaranty.

(g) Reinstatement; Stay of Acceleration. If at any time any payment of any portion of the Guaranteed Obligations is rescinded or must otherwise be restored or returned upon the

insolvency, bankruptcy, or reorganization of any Borrower or otherwise, each Guarantor's obligations under this Guaranty with respect to that payment shall be reinstated at such time as though the payment had not been made. If acceleration of the time for payment of any of the Guaranteed Obligations is stayed upon the insolvency, bankruptcy or reorganization of any Borrower, all such amounts otherwise subject to acceleration under the terms of any agreement relating to the Guaranteed Obligations shall nonetheless be payable by the other Guarantors forthwith on demand by the DIP Agent.

(h) Liability Cumulative. The liability of each Guarantor under this Loan Guaranty is in addition to and shall be cumulative with all liabilities of such Guarantor to the DIP Agent and the DIP Lenders under this Agreement and any related documents to which such Guarantor is a party or in respect of any obligations or liabilities of the other Guarantors, without any limitation as to amount, unless the instrument or agreement evidencing or creating such other liability specifically provides to the contrary.

<b>Summary report:</b>	
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## Secured Creditor Protections

The following sets out protections that the Senior Secured Lenders (the "SSL") are willing to provide to Export Development Canada in its capacity as pre-filing secured creditor ("EDC") for the period from June 10, 2026 through June 30, 2026 (the "Bridge Period"), should the SSL DIP facility ("SSL DIP") be approved by the CCAA court.

---

### (a) Consent Rights

The following matters shall require the prior written consent of EDC:

1. **Appointment of Chief Restructuring Officer or Expansion of Monitor Powers.** The appointment of any chief restructuring officer or any expansion of the powers of the Monitor beyond those set out in the Initial Order.
2. **DIP Facility Draws Above Interim Bridge Amount.** Any draws on the SSL DIP in excess of \$110 million.
3. **Waivers of DIP Facility Limits.** Any waivers of imposed limits under the SSL DIP in respect of the Steensby Expansion project or mineral exploration expenses.

### (c) No Exclusivity

4. The SSL confirm that the SSL DIP does not include any provisions limiting the ability of the Debtors to solicit or accept alternative proposals for final or interim financing.

### (d) Consultation Rights

The Company, the Monitor, and their respective advisors shall consult with EDC in respect of the following matters:

5. **Investment Banker Selection for Sales and Investment Solicitation Process (the "SISP").** The Company shall consult with EDC on investment banker candidates to conduct the SISP prior to interviewing any such candidates, shall permit EDC to attend interviews with candidates and provide feedback, and shall consult with EDC on the engagement terms of the selected investment banker prior to finalisation.
6. **Development of the SISP.** The Company shall consult with EDC on the development of the SISP, and appropriate consultation and information rights for EDC shall be incorporated into the SISP procedures, subject to confidentiality.
7. **Budgets and Cash Flow Forecasts.** The Company and the Monitor shall consult with EDC on any proposed budgets and cash flow forecasts (and any amendments thereto) prior to the finalisation or Court approval of any such budgets or forecasts.
8. **Specified Capital Expenditures and Commitments.** The Company and the Monitor shall consult with EDC prior to: (i) any discretionary capital expenditures toward the Steensby Expansion project or non-discretionary capital expenditures toward the Steensby Expansion project above \$20 million; (ii) any discretionary exploration expenditures or non-discretionary exploration expenditures above \$10 million; (iii) any payments to related parties or insiders; or (iv) any binding sealift procurement

commitments related to the Steensby Expansion, or otherwise outside of normal course operations.

**(e) Information Rights**

EDC shall be entitled to the following information and reporting rights throughout the Bridge Period:

9. **Information Equivalent to DIP Lenders.** EDC shall receive the same level of written information and financial reporting received by the SSL as DIP Lender, including variance reporting.
10. **Regular Update Calls.** Management and Company advisors shall host regular weekly update calls with EDC addressing the business, the restructuring proceedings, and the SISP (once implemented).
11. **Payment of Advisor Fees.** The reasonable fees and disbursements of EDC's professional advisors shall be paid by the Company and included as a line item in the approved cash flow forecast.

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procurement commitments ~~above \$[●]~~ related to the Steensby Expansion, or otherwise outside of normal course operations.

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<b>Summary report:</b>	
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Embedded Excel	0
Format changes	0
<b>Total Changes:</b>	<b>14</b>

This is Exhibit "E" referred to in the Affidavit of Joshua Gordon, affirmed June 9, 2026. The affiant and I both were located in the City of Toronto, in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



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Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Alec Hoy  
Law Society of Ontario Number: 85489K

## Gordon, Joshua

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**Subject:** FW: Baffinland - Fronting Lender KYC  
**Attachments:** FinCEN CDD Rule Certification.pdf; CIP Sendout 3.5.pdf  
**Importance:** High

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**From:** Jacobs, Ryan  
**Sent:** Tuesday, June 09, 2026 11:42 AM  
**To:** Schwill, Robin <[rschwill@dwpv.com](mailto:rschwill@dwpv.com)>; [nrenner@dwpv.com](mailto:nrenner@dwpv.com); [mwasserman@osler.com](mailto:mwasserman@osler.com); De Lellis, Michael <[mdelellis@osler.com](mailto:mdelellis@osler.com)>; Rosenberg, Jeffrey <[jeffrey.rosenberg@fticonsulting.com](mailto:jeffrey.rosenberg@fticonsulting.com)>; [greg.watson@fticonsulting.com](mailto:greg.watson@fticonsulting.com)  
**Cc:** Charleston, Lucas <[lcharleston@akingump.com](mailto:lcharleston@akingump.com)>; Ethridge, Nell <[nethridge@akingump.com](mailto:nethridge@akingump.com)>; Wunder, Michael <[mwunder@cassels.com](mailto:mwunder@cassels.com)>; Maria Konyukhova ([mkonyukhova@stikeman.com](mailto:mkonyukhova@stikeman.com)) <[mkonyukhova@stikeman.com](mailto:mkonyukhova@stikeman.com)>; Meredith Lahaie ([mlahaie@akingump.com](mailto:mlahaie@akingump.com)) <[mlahaie@akingump.com](mailto:mlahaie@akingump.com)>; Brittney Ketwaroo <[bketwaroo@stikeman.com](mailto:bketwaroo@stikeman.com)>  
**Subject:** Baffinland - Fronting Lender KYC  
**Importance:** High

Robin and Natalie - As we advised the Monitor's counsel, Barclays bank will be the fronting lender under the Senior Secured Lenders' DIP. Barclays is working to be ready to fund the Debtors as early as tomorrow or Thursday (in the event the Court approves the Senior Secured Lenders' DIP) and they have some customary KYC information they need from your clients. Can you please assist us in working with your client to help get Barclays the information identified below? We have copied the Monitor team so they can assist as well. Thank you.

In case you are unfamiliar with the concept of a fronting lender, as described in the terms of the binding DIP commitment (see section 6 page 2), upon acceptance by the Company, the commitment is amended to include Barclays as a signatory pursuant to which they would become the commitment party for 100% of the DIP commitment. They would use their own balance sheet cash to fund the DIP loans and then subsequently assign the funded DIP loans to our clients and PW's clients. This benefits the Debtors as they have one lender to deal with under the commitment and the certainty of funding by a major financial institution with no incremental cost (Barclays just keeps the interest that accrues between the time they fund and when they assign the DIP loans to our clients).

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To be obtained from **Debtors:**

- Tax ID Number or Completed IRS W9/W8
- Executive Directors: The full legal names of the Senior Executives (e.g. President, CEO, COO, CFO, Chairman or equivalent) who are known to exercise significant influence of business and strategy.
  - a. Provide COR for all Individuals named
- Board of Directors: The full legal names of the members of the Board of Directors
  - a. If Not applicable, please confirm as such

- Ownership: The full legal name of all direct/indirect shareholders (individuals or entities) with greater than 9.99% economic interest and voting rights in the entity (including through the aggregation of holdings in one or more intermediary companies, collective and family shareholdings and also through Bearer Share holdings)
  - a. The date of birth and country of residence for individuals identified as ultimate beneficial owners. If none at this time, please confirm so.
  - b. The full legal name and registered address for entities identified. If none at this time, please confirm so.
- Constitution Information: The entity's constitution documents (Certificate of Incorporation, Articles of Association, LLC Agreement, LP Agreement, Incumbency Certificate, etc.) showing the law under which the entity is incorporated.
  - a. Are there different classes of shares? **[YES/NO]**
  - b. Are there different voting rights on shares? **[YES/NO]**
  - c. Where there is share capital, have shares been issued in Bearer Share form? **[YES/NO]** (If this is not applicable please confirm N/A)
- Does the entity conduct business activities in or with the governments of any of the following Restricted Countries/Regions? **[YES/NO]**
  - a. Iran
  - b. North Korea
  - c. Syria
  - d. Cuba
  - e. Venezuela
  - f. The Ukraine Restricted Regions of:
    - i. Crimea
    - ii. Donetsk
    - iii. Luhansk
    - iv. Kherson
    - v. Zaporizhzhia

FinCEN Certification Form

- Ensure that this is filled out in its entirety, signed, dated and ID(s) are attached.
- If the individual beneficial ownership is not applicable please be sure to mark the "N/A" box on the bottom half of the form.

**Disclosure (attached). This document is for your reference and does not require a response. It must be sent to a contact at the client, even if received by a third party representative:**

- Customer Identification Program Notification

Ryan Jacobs

Cassels

O: 416.860.6465

C : 647.971.3407

## Financial Crimes Enforcement Network Customer Due Diligence Rule (FinCEN CDD Rule)

To whom it may concern:

In order to clarify and strengthen customer due diligence (“CDD”) requirements for certain financial institutions, the United States Department of the Treasury Financial Crimes Enforcement Network (“FinCEN”) issued the CDD Rule to amend existing Bank Secrecy Act (“BSA”) regulations. Among other requirements, the CDD Rule imposes a new requirement on covered financial institutions to identify and verify the individuals that directly or indirectly own 25 percent or more of the equity interests of a legal entity customer and an individual who has significant responsibility for managing the legal entity customer (*i.e.* the beneficial owners).

For the purpose of compliance with the CDD Rule, Barclays Capital Inc., Barclays Bank Delaware and Barclays Bank PLC, New York Branch are covered financial institutions.<sup>1</sup> In order to fulfill our regulatory obligations, we require all legal entity customers to complete the appended Certification regarding Beneficial Owners for all new accounts opened on or after May 11, 2018—the CDD Rule effective date or when existing account information is updated to incorporate changes in beneficial ownership after the effective date. As a global institution operating in jurisdictions around the world, Barclays internal policies and procedures may also require the identification and verification of beneficial owners that directly or indirectly own 10 percent or more of the equity interests of legal entity customers.

Please complete and return the certification with the required information. This certification is based on the form located in the Final Rule at Appendix A.<sup>2</sup> If you believe you fall under an exclusion or exemption to the CDD Rule, please provide rationale and supporting rationale and/or documentation for the specific exclusion and/or exemption.

We appreciate your cooperation in our efforts to enhance financial transparency and to help safeguard the financial system against illicit use.

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<sup>1</sup> “Covered financial institution” is defined at 31 CFR 1010.605(e)(1).

<sup>2</sup> Federal Register, see: <https://www.federalregister.gov/documents/2016/05/11/2016-10567/customer-due-diligence-requirements-for-financial-institutions>.

## General Instructions

### What is the purpose of this form?

To help the government fight financial crime, Federal regulation requires Barclays to obtain, verify, and record information about the beneficial owners of legal entity customers. Legal entities can be abused to disguise involvement in terrorist financing, money laundering, tax evasion, corruption, fraud, and other financial crimes. Requiring the disclosure of key individuals who own or control a legal entity (i.e., the beneficial owners) helps law enforcement investigate and prosecute these crimes.

### Who has to complete this form?

This form must be completed by the individual opening a new account on behalf of a legal entity with Barclays Capital Inc., Barclays Bank Delaware and/or Barclays Bank PLC, New York Branch. Barclays Capital Inc., Barclays Bank Delaware and Barclays Bank PLC, New York Branch are U.S. covered financial institutions for the purpose of compliance with the CDD Rule.

For the purposes of this form, a legal entity includes a corporation, limited liability company, or other entity that is created by a filing of a public document with a Secretary of State or similar office, a general partnership, and any similar business entity formed in the United States or a foreign country. Legal entity does not include sole proprietorships, unincorporated associations, or natural persons opening accounts on their own behalf.

### What information do I have to provide?

This form requires you to provide the name, address, date of birth and Social Security number (or passport number or other similar information, in the case of Non-U.S. Persons) for the following individuals (i.e., the beneficial owners):

#### Definition of beneficial owner:

- (i) Each individual, if any, who owns, directly or indirectly, 25 percent or more of the equity interests of the legal entity customer (e.g., each natural person that owns 25 percent or more of the shares of a corporation); **and**
- (ii) An individual with significant responsibility for managing the legal entity customer (e.g., a Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Managing Member, General Partner, President, Vice President, or Treasurer).

The number of individuals that satisfy this definition of “beneficial owner” may vary. Under section (i), depending on the factual circumstances, up to four individuals (but as few as zero) may need to be identified. Regardless of the number of individuals identified under section (i), you must provide the identifying information of one individual under section (ii). It is possible that in some circumstances the same individual might be identified under both sections (e.g., the President of Acme, Inc. who also holds a 30% equity interest). Thus, a completed form will contain the identifying information of at least one individual (under section (ii)), and up to five individuals (i.e., one individual under section (ii) and four 25 percent equity holders under section (i)).

**N.B. Barclays asks to see a copy of a driver's license, passport, or other identifying document for each beneficial owner listed on this form for the purposes of verification.**

## Certification Regarding Beneficial Owners of Legal Entity Customers

Individuals opening an account on behalf of a legal entity must provide the following information, with all fields being mandatory.

### Name and Title of Individual Opening Account

Name

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Title

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### Name, Type, and Principal Business Address of Legal Entity for Which the Account is Being Opened

Name

---

Type

---

Address

---

### The following information for one individual with significant responsibility<sup>3</sup> for managing the legal entity

	Name and Title First Middle Last	Date of Birth MM/DD/YYYY	Address Residential or Business Street Address, including Country	Social Security Number (U.S. Persons)  Passport Number + Country of Issuance (non-U.S. Persons) <sup>4</sup>
1				

*Please attach copies of a driver's license, passport, or other identifying document for each individual listed above.*

<sup>3</sup> "Significant responsibility" is defined as an executive officer or senior manager (e.g., Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Managing Member, General Partner, President, Vice President, Treasurer) or any other individual who regularly performs similar functions.

<sup>4</sup> In lieu of a passport number, non-U.S. persons may also provide an alien identification card number, or number and country of issuance of any other government-issued document evidencing nationality or residence and bearing a photograph or similar safeguard.

The following information for each individual, if any, who, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, owns 25 percent or more of the equity interests of the legal entity customer

*Not Applicable – please check this box if there is no individual who owns 25 percent or more of the equity interest of the legal entity. Barclays internal policies and procedures may still require the identification and verification of beneficial owners who own 10 percent or more of the equity interests of a legal entity customer.*

	Name and Title First Middle Last	Percentage of Ownership (%)	Date of Birth MM/DD/YYYY	Address Residential or Business Street Address, including Country	Social Security Number (U.S. Persons)  Passport Number + Country of Issuance (non-U.S. Persons) <sup>5</sup>
1					
2					
3					
4					

*Please attach copies of a driver's license, passport, or other identifying document for each individual listed above.*

**Optional: An exclusion/exemption applies to the legal entity customer**

*If you believe the legal entity falls under an exclusion or exemption from the beneficial ownership requirements, please check the box and identify the applicable exclusion/exemption.*

\_\_\_\_\_  
*Applicable exclusion/exemption*

\_\_\_\_\_  
*Supporting rationale and/or documentation of qualification for exclusion*

**Certification of information contained herein**

I, \_\_\_\_\_ (name of individual opening account), in my capacity as \_\_\_\_\_ of the legal entity customer listed above, hereby:

- (a) certify, to the best of my knowledge, that the information provided above is complete and correct, and
- (b) agree that the legal entity customer listed above will notify Barclays of any change to the information provided herein that would result in a change to the list of beneficial owners identified above.

Signature \_\_\_\_\_ Date \_\_\_\_\_

<sup>5</sup> In lieu of a passport number, non-U.S. persons may also provide an alien identification card number, or number and country of issuance of any other government-issued document evidencing nationality or residence and bearing a photograph or similar safeguard.

**NOTICE: IMPORTANT INFORMATION ABOUT PROCEDURES FOR ENTERING INTO A RELATIONSHIP WITH BARCLAYS**

To help the US government fight the funding of terrorism and money laundering activities, Federal law requires all US financial institutions to obtain, verify, and record information that identifies each person, including legal entities that open an account at Barclays. When you open an account we will ask you for your name, address, government-issued identification number, and date of birth (if applicable) and other information that will allow us to affirmatively identify you. We may also ask to see or obtain a copy of your driver's license or other identifying documents as required under the law. Please see the below link for further information on how your personal information can be used.

[https://www.ib.barclays/content/dam/barclaysmicrosites/ibpublic/documents/gdpr/online\\_privacy\\_notice\\_us.pdf](https://www.ib.barclays/content/dam/barclaysmicrosites/ibpublic/documents/gdpr/online_privacy_notice_us.pdf)

**Special Measures – USAPA Section 311 Notices**

- Effective March 09, 2006, pursuant to US regulations issued under section 311 of the USA PATRIOT ACT, we are prohibited from opening or maintaining a correspondent account for, or on behalf of, Commercial Bank of Syria or any of its subsidiaries (including Syrian Lebanese Commercial Bank).
- Effective March 31, 2016, pursuant to U.S. regulations issued under section 311 of the USA PATRIOT Act, we are prohibited from opening or maintaining a correspondent account or payable through account for, or on behalf of FBME Bank Ltd., formerly known as the Federal Bank of the Middle East Ltd., or any of its subsidiaries.
- Effective November 9, 2016, pursuant to U.S. regulations issued under section 311 of the USA PATRIOT Act, we are prohibited from opening or maintaining a correspondent account or payable through account for, or on behalf of a North Korean banking institution or any of its subsidiaries
- Effective November 8, 2017, pursuant to U.S. regulations issued under section 311 of the USA PATRIOT Act, we are prohibited from opening or maintaining a correspondent account or payable through account for, or on behalf of Bank of Dandong or any of its subsidiaries
- Effective October 25, 2019, pursuant to U.S. regulations issued under Section 311 of the USA PATRIOT Act, we are prohibited from opening or maintaining in the United States a correspondent account for, or on behalf of, any Iranian financial institution. The regulations also require us to notify you that you may not provide an Iranian financial institution, including any of its agencies, branches, offices, or subsidiaries, with access to the correspondent account you hold at our financial institution to process transactions that are prohibited, and not authorized or exempt, pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) (IEEPA), any regulation, order directive or license issued pursuant thereto, or any other sanctions program administered by the Department of the Treasury's Office of Foreign Asset Control ("prohibited transactions"). If we become aware that the correspondent account you hold at our financial institution has processed any prohibited transactions involving Iranian financial institutions, including any agencies, branches, offices, or subsidiaries thereof, we will be required to take appropriate steps to prevent such access, including terminating your account.
- Effective February 1, 2023, pursuant to section 9714(a) of the Combating Russian Money Laundering Act, as amended by section 6106(b) of the National Defense Authorization Act for Fiscal Year 2022, we are prohibited from engaging in a transmittal of funds from or to Bitzlato, or from or to any account or CVC address administered by or on behalf of Bitzlato.
- Effective July 26, 2024, pursuant to U.S. regulations issued under Section 311 of the USA PATRIOT Act, see 31 CFR 1010.663, we are prohibited from opening or maintaining in the United States a correspondent account for, or on behalf of, Al-Huda Bank. The regulations also require Barclays to notify you that you may not provide Al-Huda Bank, including any of its subsidiaries, branches, and offices access to the correspondent account you hold at Barclays. If we become aware that the correspondent account you hold at Barclays has processed any transactions involving Al Huda Bank, including any of its subsidiaries, branches, and offices, we will be required to take appropriate steps to prevent such access, including terminating your account.
- Effective September 26, 2024, pursuant to section 9714(a) of the Combating Russian Money Laundering Act,

as amended by section 6106(b) of the National Defense Authorization Act for Fiscal Year 2022, we are prohibited from engaging in a transmittal of funds from or to PM2BTC or its underlying exchange services, PM2BTC.ME, BTC2PM.ME, PM2CASHIN.ME, BTC2CASHIN.ME and PM2WM.ME or from or to any account or CVC address administered by or on behalf of PM2BTC. If we become aware that the correspondent account you hold at Barclays has processed any transactions involving PM2BTC, including any of its subsidiaries, branches, and offices, we will be required to take appropriate steps to prevent such access, including terminating your account.

- Effective November 17, 2025, pursuant to U.S. regulations issued under Section 311 of the USA PATRIOT Act, see FinCEN Final Rule Special Measure Regarding Huione Group, as a Foreign Financial Institution of Primary Money Laundering Concern (90 FR 48295), we are prohibited from opening or maintaining in the United States a correspondent account for, or on behalf of, Huione Group. The regulations also require us to notify you that you may not provide Huione Group, including any of its subsidiaries, branches, and offices access to the correspondent account you hold at our financial institution. If we become aware that the correspondent account you hold at our financial institution has processed any transactions involving Huione Group, including any of its subsidiaries, branches, and offices, we will be required to take appropriate steps to prevent such access, including terminating your account.
- Pursuant to U.S. regulations issued under Section 311 of the USA PATRIOT Act, see FinCEN NPRM Special Measure Regarding Transactions Involving Ten Mexican Gambling Establishments as a Class of Transactions of Primary Money Laundering Concern, we are prohibited from opening or maintaining in the United States a correspondent account that is established, maintained, administered, or managed for, or on behalf of, a foreign banking institution if such account is used to process a transaction involving any of the following Mexico-based gambling establishments (the "Gambling Establishments"), including any subsidiaries, branches, and offices thereof:
  - Emine Casino (San Luis Rio Colorado, Sonora)
  - Casino Mirage (Culiacan, Sinaloa)
  - Midas Casino (Agua Prieta, Sonora)
  - Midas Casino (Guamúchil, Sinaloa)
  - Midas Casino (Los Mochis, Sinaloa)
  - Midas Casino (Mazatlan, Sinaloa)
  - Midas Casino (Rosarito, Baja California)
  - Palermo Casino (Nogales, Sonora)
  - Skampa Casino (Ensenada, Baja California)
  - Skampa Casino (Villahermosa, Tabasco)

The proposed regulations also require us to notify you that you may not provide any of the Gambling Establishments, including any of their respective subsidiaries, branches, and offices, with access to the correspondent account you hold at our financial institution. If we become aware that the correspondent account you hold at our financial institution has processed any transactions involving any of the Gambling Establishments, including any of their respective subsidiaries, branches, and offices, we will be required to take appropriate steps to prevent such access, including terminating your account. Although the regulation has not yet been finalized, Barclays has decided to implement it at this time.

- Pursuant to proposed U.S. regulations issued under Section 311 of the USA PATRIOT Act, see 31 CFR 1010.666 & 91 FR 10034, we are prohibited from opening or maintaining in the United States a correspondent account for, or on behalf of, MBaer Merchant Bank AG (MBaer), its subsidiaries, branches, and offices operating as a financial institution in any jurisdiction outside the U.S. The regulations also require us to notify you that you may not provide MBaer, including any of its subsidiaries, branches, and offices access to the correspondent account you hold at our financial institution. If we become aware that the correspondent account you hold at our financial institution has processed any transactions involving MBaer, including any of its subsidiaries, branches, and offices, we will be required to take appropriate steps to prevent such access, including terminating your account. Although the regulation has not yet been finalized, Barclays has decided to implement it at this time.

## [US Special Measures Prohibiting Certain Transmittals of Funds with 3 Mexican Financial Institutions](#)

FinCEN has issued three orders, effective October 20, 2025, pursuant to the US FEND Off Fentanyl Act and 21 USC §2313a identifying three Mexico-based financial institutions as being of primary money laundering concern in connection with illicit opioid trafficking. We are prohibited from engaging in any transmittal of funds from or to any of the following:

- CIBanco S.A., Institución De Banca Multiple (“CIBanco”)
- Intercam Banco S.A., Institución de Banca Multiple (“Intercam”)
- Vector Casa de Bolsa, S.A. de C.V. (“Vector”)

Pursuant to these regulations, you may not provide CIBanco, Intercam, or Vector, including any of their subsidiaries, branches, and offices, access to the correspondent account you hold at our financial institution. If we become aware that the correspondent account you hold at our financial institution has processed any transactions involving CIBanco, Intercam, or Vector, including any of their subsidiaries, branches, and offices, regardless of location, we will be required to take appropriate steps to prevent such access, including terminating your account.

FinCEN Orders:

- Special Measure Prohibiting Certain Transmittals of Funds Involving CIBanco;
- Special Measure Prohibiting Certain Transmittals of Funds Involving Intercam; and
- Special Measure Prohibiting Certain Transmittals of Funds Involving Vector.

**Unlawful Internet Gambling Enforcement Act of 2006 (“UIGEA”) / Regulation GG**

Pursuant to the Unlawful Internet Gambling Enforcement Act of 2006 (“UIGEA”) and implementing regulations issued by Federal regulatory authorities (“Regulation GG”), U.S. Barclays entities and branches are prohibited from conducting restricted transactions, as defined in 12 C.F.R. Section 233.2(y), (including, without limitation, the acceptance or receipt of credit or other receipt of funds through an electronic funds transfer, or by check, draft or similar instrument, or the proceeds of any of the foregoing) that are related, directly or indirectly, to unlawful internet gambling. The term “unlawful internet gambling,” as used in this Notice, shall have the meaning as set forth in 12 C.F.R. Section 233.2(bb)

**Other Disclosures**

Please forward this to all of your branches and banking subsidiaries, as necessary. By definition of USA Patriot Act, “Foreign Correspondent Bank” means all non-US banks and branches of US banks located outside of the United States (collectively “foreign banks”) who have trading relationships with Barclays Bank PLC, New York and Miami Branches and Barclays Capital Inc.

\* \* \* \* \*

FINRA Rule 4370 (e) requires each FINRA member to disclose to its customers how its business continuity plan addresses the possibility of a future significant business disruption and how the member plans to respond to events varying in scope. The disclosure must be made in writing to customers at account opening, posted on the member’s Web site and mailed to customers upon request.

In response to this rule, enclosed is a copy of Barclays Capital Inc.’s Business Continuity Management Plan Summary (Barclays Capital Inc. is an indirect subsidiary of Barclays Bank PLC). This information can also be found at:

<http://investmentbank.barclays.com/disclosures/barclays-business-continuity-management.html>

\* \* \* \* \*

In addition, if you are the responsible plan fiduciary with respect to a plan or arrangement subject to the Employee Retirement Income Security Act of 1974, as amended (“ERISA”) as to which it is expected that Barclays will provide investment banking or capital markets related services to, please visit our website at <http://group.barclays.com/disclosures/erisa>. This link contains certain information in connection with services we

may provide to the ERISA plans for which you are responsible.

\* \* \* \* \*

IRS Circular 230 Disclosure: Barclays Capital Inc. and its affiliates do not provide tax advice. Please note that (i) any discussion of US tax matters contained in this communication (including any attachments) cannot be used by you for the purpose of avoiding tax penalties; (ii) this communication was written to support the promotion or marketing of the matters addressed herein; and (iii) you should seek advice based on your particular circumstances from an independent tax advisor.

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, AS AMENDED  
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF NUNAVUT IRON ORE, INC.,  
BAFFINLAND IRON MINES CORPORATION, and 12334992 CANADA INC.

Court File No. CL-26-00000219-0000

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

PROCEEDING COMMENCED AT  
TORONTO

**AFFIDAVIT OF JOSHUA GORDON  
(SWORN JUNE 9, 2026)**

**CASSELS BROCK & BLACKWELL LLP**

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*Lawyers for the Ad Hoc Committee of Senior Secured  
Noteholders*