

Court File No. CL-26-00000219-0000

**Nunavut Iron Ore, Inc., Baffinland Iron Mines Corporation
and 12334992 Canada Inc.**

FIFTH REPORT OF THE MONITOR

October 7, 2026

Court File No. CL-26-00000219-0000

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

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

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

**FIFTH REPORT TO THE COURT
SUBMITTED BY FTI CONSULTING CANADA INC.,
IN ITS CAPACITY AS MONITOR**

INTRODUCTION

1. On May 15, 2026 (the “**CCAA Filing Date**”), Nunavut Iron Ore, Inc. (“**NIO**”), Baffinland Iron Mines Corporation (“**BIM**”) and 12334992 Canada Inc. (“**123**”, and together with NIO and BIM, the “**Applicants**”) sought and obtained an initial order (the “**Initial Order**”) under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”), *inter alia*, granting a stay of proceedings (the “**Stay of Proceedings**”) to May 25, 2026 in favour of the Applicants and Baffinland Iron Mines LP (“**BIM LP**”, and, together with the Applicants, the “**Debtors**”) and appointing FTI Consulting Canada Inc. as monitor (in such capacity, the “**Monitor**”). The proceedings commenced by the Applicants under the CCAA will be referred to herein as the “**CCAA Proceedings**”.
2. On May 25, 2026, the Applicants sought and obtained an Amended and Restated Initial Order under the CCAA, *inter alia*, extending the Stay of Proceedings in favour of the Debtors to June 5, 2026, increasing the Administration Charge, and increasing the D&O Charge.

3. On June 10, 2026, the Applicants sought and obtained a Second Amended and Restated Initial Order (the “**SARIO**”) under the CCAA, *inter alia*, (a) extending the Stay of Proceedings in favour of the Debtors to August 28, 2026; (b) authorizing the Debtors to pay pre-filing amounts to certain critical suppliers with the consent of the Monitor; (c) approving the DIP facility (the “**EDC DIP Facility**”) provided by the Government of Canada, as represented by Export Development Canada (the “**DIP Lender**”) pursuant to a DIP financing agreement (the “**DIP Financing Agreement**”) for the period from the date of the SARIO until June 30, 2026, when the parties were to return to Court for a *de novo* hearing regarding whether the DIP proposal by the DIP Lender or the DIP proposal by the Senior Secured Lenders (defined below) should be approved (the “**June 30 Hearing**”).
4. Following the granting of the SARIO, Oaktree Capital Management, LP and Hartree Partners, LP (the “**First Secured Lenders**”), the Ad Hoc Committee of holders of the 8.750% senior secured notes due 2026 (the “**Ad Hoc Noteholders**” and, together with the First Secured Lenders, the “**Senior Secured Lenders**”), the DIP Lender, and the Debtors, along with the Monitor, engaged in steps to progress matters leading up to the June 30 Hearing, including the exchange of affidavits and commencement of cross-examinations.
5. On June 26, 2026, the Senior Secured Lenders, the DIP Lender and the Debtors agreed to final, definitive settlement terms (the “**DIP Settlement Agreement**”), pursuant to which, in exchange for the support of the Senior Secured Lenders for the EDC DIP Facility, the Senior Secured Lenders were granted certain consent, collaboration, information and participation rights in the CCAA Proceedings, as set out in the DIP Settlement Agreement.
6. At the June 30 Hearing, the DIP Settlement Agreement was approved pursuant to an order of the Court (the “**Settlement Approval Order**”) and the EDC DIP Facility was approved on a final basis.

7. At a hearing on July 29, 2026 (the “**July 29 Hearing**”), the Applicants sought and obtained an order (the “**CRO Appointment Order**”), *inter alia*, (a) approving the CRO Engagement Letter, pursuant to which the Debtors engaged BlueTree Advisors Inc. (“**BlueTree**”) to provide the services of William E. Aziz as chief restructuring officer of the Debtors (the “**CRO**”) and appointing the CRO pursuant to the terms thereof; (b) granting the CRO Fee Charge and the CRO Tiered Success Fee Charge; and (c) authorizing the CRO to (i) enter into and execute, in the name of and on behalf of the Debtors, any non-disclosure agreements with interested parties in order to facilitate a sale and investment solicitation process (“**SISP**”), and (ii) assist the Debtors in arranging for site visits.
8. At a hearing on August 27, 2026 (the “**August 27 Hearing**”), the Applicants sought and obtained an omnibus order (the “**Transaction Advisor Approval and Stay Extension Order**”), *inter alia*, (a) approving the Transaction Advisor Engagement Letter, pursuant to which Morgan Stanley Canada Limited was engaged as transaction advisor of the Debtors (the “**Transaction Advisor**”) and appointing the Transaction Advisor pursuant to the terms thereof; (b) granting the Transaction Advisor Fee Charge and the Transaction Advisor Transaction Fee Charge; and (c) extending the Stay of Proceedings to December 11, 2026. The Transaction Advisor Approval and Stay Extension Order and Justice Steele’s endorsement from the August 27 Hearing are attached hereto as **Appendices “A” and “B”**.
9. This fifth report of the Monitor (the “**Fifth Report**”) has been prepared to inform the Court of the following:
 - (a) An update to the cash flow forecast included in the Fourth Report (defined below) for the period ending December 11, 2026 (the “**August Forecast**”) in the form of the October Forecast (defined below);
 - (b) Certain key pre-SISP steps undertaken by the Debtors and the Transaction Advisor, in consultation with the Monitor and the CRO, since the August 27 Hearing;

- (c) The process undertaken by the CRO and the Debtors, with the assistance of the Monitor, to engage with the Qikiqtani Inuit Association (“**QIA**”) and Nunavut Tunngavik Inc. (“**NTI**”) with respect to the SISP;
- (d) The Applicants’ motion for an order (the “**Applicants’ SISP Approval Order**”), providing, *inter alia*, for approval of the SISP attached as Exhibit “B” to the affidavit of Jowdat Waheed sworn September 17, 2026 (the “**Second Waheed Affidavit**”) and attached hereto as **Appendix “C”** (the “**Applicants’ Proposed SISP**”);
- (e) The DIP Lender and the Senior Secured Lenders’ request for an order, providing, *inter alia*, for approval of the SISP attached as Exhibit “D” to the affidavit of Ashley Glen sworn September 21, 2026 (the “**Second Glen Affidavit**”) and attached hereto as **Appendix “D”** (the “**Secured Lenders’ Proposed SISP**”); and
- (f) The comments and/or recommendations of the Monitor in respect of the above.

TERMS OF REFERENCE

- 10. In preparing this Fifth Report, the Monitor has relied upon unaudited financial information of the Debtors, the Debtors’ books and records, certain financial information prepared by the Debtors and discussions with various parties (the “**Information**”).
- 11. Except as otherwise described in this Fifth Report:
 - (a) The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants of Canada Handbook; and

- (b) The Monitor has not examined or reviewed financial forecasts and projections referred to in this Fifth Report in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.
12. The Monitor has prepared this Fifth Report in connection with the Applicants' SISP Approval Order and this Fifth Report should not be relied on for any other purpose.
13. Future oriented financial information reported or relied on in preparing this Fifth Report is based on the assumptions of the management of the Debtors ("**Management**") regarding future events; actual results may vary from forecast and such variations may be material.
14. Unless otherwise stated, all monetary amounts contained herein are expressed in United States Dollars. This Fifth Report should be read in conjunction with the prior reports of the Monitor (the "**Prior Reports**"), including the Monitor's second report to the Court dated June 4, 2026 (the "**Second Report**"), the second supplement to the Second Report dated June 29, 2026 (the "**Second Supplement**"), the fourth report to the Court dated August 25, 2026 (the "**Fourth Report**"), and the affidavit of Celeste van Tonder sworn May 14, 2026 (the "**Initial van Tonder Affidavit**"). Capitalized terms not otherwise defined herein have the meanings given to them in the Prior Reports or the Initial van Tonder Affidavit, as applicable. Copies of the Prior Reports and the Initial van Tonder Affidavit can be found on the Monitor's website.

EXECUTIVE SUMMARY

15. The Monitor is of the view that:

- (a) The approval and formal commencement of a SISP represents a crucial next step in these CCAA Proceedings, to continue the forward progression of the CCAA Proceedings in a manner that will effectively canvass the market without delay and is intended to result in a value-maximizing transaction for the benefit of the Debtors' stakeholders;
- (b) The Transaction Advisor, in consultation with the Monitor and the CRO, has commenced and is continuing certain key pre-SISP steps (including participating in the negotiation and execution of NDAs with interested parties) and the continuation and forward progression of these steps within a SISP is necessary to maintain momentum and to formalize the sale process rules for potentially interested parties;
- (c) The Applicants' Proposed SISP and the Secured Lenders' Proposed SISP (together, the "**Proposed SISPs**") are aligned on most key terms and the only material outstanding dispute centres on who will make certain decisions in the SISP including waiving bidding criteria, the identification of a Successful Bid and the finalization of any resulting transaction (the "**Decision-Making Dispute**"). The Applicants' Proposed SISP provides for these decisions to be made by the Debtors through their Operating Committee (defined below). The Secured Lenders' Proposed SISP has these decisions being made by the CRO (with varying consent and consultation rights in favour of the Debtors, the Transaction Advisor and the Monitor, depending on the nature of the particular decision);

- (d) Setting aside the Decision-Making Dispute, the Monitor is of the view that the Proposed SISPs provide for an open, fair and transparent process with an appropriate level of oversight by the Monitor, and that the Proposed SISPs will encourage and facilitate binding bids by interested parties and are reasonable in the circumstances¹;
 - (e) With respect to the Decision-Making Dispute, the Monitor is of the view that, on balance, the Secured Lenders' Proposed SISP should be approved in circumstances where the Operating Committee is comprised of shareholder representatives who have an economic interest in the outcome of the SISP, and the CRO, working with the Monitor, as independent court officers, as well as the Transaction Advisor, are well-placed to make the required decisions as part of the SISP;
 - (f) These CCAA Proceedings were commenced almost five months ago, and the Decision-Making Dispute has caused a delay in the formal commencement of the SISP. In all the circumstances, the Monitor believes that the Secured Lenders' Proposed SISP would better promote fairness, transparency and efficiency on a go-forward basis; and
 - (g) The CRO and the Debtors, with the assistance of the Monitor, have participated in good faith negotiations with the QIA and NTI with respect to the SISP and, as of the date of this Fifth Report, discussions between the Debtors, the Monitor, the QIA and NTI remain ongoing.
16. Accordingly, the Monitor respectfully recommends that the Secured Lenders' Proposed SISP be approved by this Honourable Court.

¹ As set out in paragraph 60 below, the Monitor is of the view that the Qualified Bid criteria must refer to the need for a Qualified Bid to provide the bidder's intentions with respect to the Royalty Agreements. The Applicants' Proposed SISP does not provide such a reference, while the Secured Lenders' Proposed SISP does.

UPDATE TO THE AUGUST FORECAST

17. In the Fourth Report, the Monitor set out the August Forecast for the 17-week period from August 15, 2026 to December 11, 2026.
18. Since the August 27 Hearing, certain assumptions and estimates that were incorporated into certain cash flow line items in the August Forecast have been revised. To ensure that the Court and the Debtors' stakeholders are provided with an up-to-date assessment of the projected cash flows and anticipated liquidity position of the Debtors, the Debtors, with the assistance of the Monitor, have prepared an updated cash flow forecast for the 17-week period from August 15, 2026 to December 11, 2026 (the "**October Forecast**").
19. The October Forecast, together with Management's report on the cash-flow statement as required by section 10(2)(b) of the CCAA, is attached hereto as **Appendix "E"**. The October Forecast shows a net cash outflow of approximately \$103.6 million for the 17-week period from August 15, 2026 to December 11, 2026, and is summarized below:

Cash Flow Forecast	
<i>(\$USD in millions)</i>	<i>Forecast</i>
Net Commercial Receipts	98.9
Operating Disbursements	
Labour	(47.0)
Vendor Payments	(52.1)
Sealift Purchases	(17.6)
Equipment Leases	(1.3)
Sustaining Capital Costs	(22.7)
Overhead Costs	(13.1)
Exploration Costs	(2.7)
Steensby Project Costs	(5.2)
Steensby LC	(7.6)
Other Costs	(11.0)
Professional Fees (CCAA)	(22.2)
Net Cash Flow	(103.6)
Cash	
Beginning Balance (excl. Restricted Cash)	45.2
Net Cash Flow	(103.6)
Debt Advances (Repayments)	94.6
Ending Cash Balance	36.3
DIP Financing	
Beginning Balance	181.8
Debt Advances (Repayments)	94.6
Accrued Fees	3.6
Ending Balance	280.1

20. Pursuant to section 23(1)(b) of the CCAA and in accordance with the Canadian Association of Insolvency and Restructuring Professionals Standard of Practice 09-1, the Monitor hereby reports as follows:

- (a) The October Forecast has been prepared by Management of the Debtors for the purpose described in Note 1, using the probable assumptions and the hypothetical assumptions set out in Notes 1 to 11 thereof;

- (b) The Monitor's review consisted of inquiries, analytical procedures and discussion related to information supplied by certain of Management and employees of the Debtors. Since hypothetical assumptions need not be supported, the Monitor's procedures with respect to such assumptions were limited to evaluating whether they were consistent with the purpose of the October Forecast. The Monitor has also reviewed the support provided by Management for the probable assumptions, and the preparation and presentation of the October Forecast;
- (c) Based on its review, nothing has come to the attention of the Monitor that causes it to believe that, in all material respects:
 - (i) The hypothetical assumptions are not consistent with the purpose of the October Forecast;
 - (ii) As at the date of this Fifth Report, the probable assumptions developed by Management are not suitably supported and consistent with the plans of the Debtors or do not provide a reasonable basis for the October Forecast, given the hypothetical assumptions; or
 - (iii) The October Forecast does not reflect the probable and hypothetical assumptions;
- (d) Since the October Forecast is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, the Monitor expresses no assurance as to whether the October Forecast will be achieved. The Monitor expresses no opinion or other form of assurance with respect to the accuracy of any financial information presented in this Fifth Report, or relied upon by the Monitor in preparing this Fifth Report; and

- (e) The October Forecast has been prepared solely for the purpose described in Note 1 on the face of the October Forecast and readers are cautioned that it may not be appropriate for other purposes.

ACTIVITIES OF THE TRANSACTION ADVISOR

- 21. As described in the Fourth Report, the Transaction Advisor, in consultation with the CRO and the Monitor, has been engaging in certain pre-SISP steps to progress matters in advance of seeking SISP approval.
- 22. Since the granting of the Transaction Advisor Approval and Stay Extension Order at the August 27 Hearing, the Transaction Advisor, in consultation with the CRO and the Monitor, has continued to engage in certain pre-SISP steps, including the following:
 - (a) Soliciting parties known to the Transaction Advisor or the Debtors as being potentially interested in participating in the SISP;
 - (b) Conducting introductory calls with certain of these parties;
 - (c) Participating in the negotiation and execution of non-disclosure agreements (“NDAs”) with certain of these parties;
 - (d) Arranging site visits as appropriate;
 - (e) Preparing a teaser presentation providing an investment overview of the Debtors’ business;
 - (f) Preparing a Confidential Information Memorandum to provide prospective investors with a comprehensive overview of the investment opportunity, including the company’s business, financial performance, investment highlights, and key transaction considerations; and

- (g) Developing a process letter (the “**Process Letter**”) that will contain, among other things, the key milestones under the SISP.
- 23. The next steps would include the Transaction Advisor continuing its outreach to potentially interested parties, providing NDA counterparties with the Confidential Information Memorandum and access to a virtual data room (“**VDR**”) containing confidential information concerning the Debtors and the Mine to further the due diligence process, and facilitating management presentations. The Monitor is of the view that, given the significance of and interest in the Mine, these steps by the Transaction Advisor will be assisted by the formal approval of the SISP, with the appropriate guidelines and “rules of the road” set out therein.

ENGAGEMENT WITH THE QIA AND NTI

- 24. As set out in the Initial van Tonder Affidavit, BIM is party to an Inuit Impact and Benefit Agreement (the “**IIBA**”) with the QIA. The IIBA addresses both the impacts on the Inuit and the benefits and opportunities flowing from the Mine to the Inuit. Its key provisions cover financial participation, as well as Inuit priority employment, education and training, contracting opportunities for Inuit firms, joint governance through an Executive Committee and Management Committee, and additional matters such as wildlife compensation, shipping, cultural awareness, and dispute resolution. BIM and the QIA are also parties to the Commercial Lease for Inuit Owned Lands No. Q13C301, which has a 30-year term expiring on December 31, 2043, with options to extend for additional 30-year periods subject to meeting specified conditions (the “**Commercial Lease**”).
- 25. The SISP provides that a Qualified Bid (as defined in the SISP) must treat the IIBA, the Commercial Lease, and their associated embedded agreements as unaffected. This requirement cannot be waived without the consent of the QIA.

26. Recognizing the importance and unique position of the QIA and NTI with respect to the Debtors and the lands on which the Mine is located, in preparing the Applicants' Proposed SISP, the CRO, the Debtors and the Monitor engaged in extensive discussions with the QIA and NTI, provided drafts of the SISP to counsel to the QIA and NTI for review and input, and engaged in good faith negotiations with the QIA and NTI with respect to the SISP and SISP-related issues, including the QIA and NTI's information and participation rights in respect thereof.
27. After the Applicants' motion was adjourned from September 24, 2026 to October 9, 2026, the Monitor convened a meeting among the Monitor, its counsel, the Debtors' counsel, the CRO, and the financial advisor and counsel to the QIA and NTI to advance discussions with respect to the SISP. As of the date of this Fifth Report, discussions between the Debtors, the Monitor, the QIA and NTI remain ongoing.

THE SISP APPROVAL ORDER

28. The Applicants seek approval of the Applicants' Proposed SISP and the DIP Lender and the Senior Secured Lenders seek approval of the Secured Lenders' Proposed SISP. Capitalized terms used in this section and not defined have the meanings given to them in the Proposed SISPs, as applicable.
29. The Monitor notes that the Debtors, the DIP Lender and the Senior Secured Lenders, with the assistance of the CRO and the Monitor, engaged productively in discussions with respect to the SISP, and were able to resolve substantially all disagreements with respect to the SISP, other than the Decision-Making Dispute.
30. As set out below, the Debtors, on the one hand, and the DIP Lender and Senior Secured Lenders, on the other hand, disagree on whether the Debtors (through the Operating Committee) or the CRO should have ultimate decision-making authority in respect of certain aspects of the SISP including the selection of the Successful Bid (but agree that, in each case, the selection of the Successful Bid ought to be made in consultation with the Monitor and the Transaction Advisor). In the below description

of the Proposed SISPs, where there is disagreement as to whether the CRO or the Debtors should make the decision, this Fifth Report refers to the decision maker (whether such decision maker is ultimately the CRO or the Debtors (through the Operating Committee)) as the “**Decision Maker**”.

THE TERMS OF THE PROPOSED SISPs

31. The Proposed SISPs include a “two-phase” process of the type commonly utilized in complex proceedings under the CCAA and will be conducted by the CRO in consultation with the Debtors with the assistance of the Transaction Advisor, under the supervision and oversight of the Monitor.
32. The Monitor is of the view that the Proposed SISPs provide for a fair and transparent process to obtain bids for a broad range of executable transaction alternatives involving the business and assets or shares of the Debtors. They also set out the manner in which any bids received will be addressed, any Successful Bid will be selected (subject to the Decision-Making Dispute, described below), and the Court’s approval of any Successful Bid(s) will be sought.
33. As set out in the Proposed SISPs, the CRO and the Transaction Advisor (as applicable) will (or have already begun to), under the supervision and oversight of the Monitor:
 - (a) prepare marketing materials and a Process Letter containing, among other things, the key milestones under the SISP;
 - (b) prepare and provide applicable parties with access to one or more VDRs containing, among other things, diligence information;
 - (c) facilitate a due diligence process including management presentations and customary financial and operational due diligence, in each case with the assistance of management personnel;

- (d) solicit interest from parties to enter into NDAs (and parties shall obtain access to the VDRs and be permitted to participate in the SISP only if they have executed an NDA, in form and substance satisfactory to the CRO);
 - (e) request that such parties submit initial non-binding letters of intent (“**LOIs**”) on a date to be communicated to parties in the Process Letter (which date may be extended by the Transaction Advisor (as applicable) and the CRO with the consent of the Monitor and the DIP Lender, the “**LOI Bid Deadline**”);
 - (f) select from parties that submitted an LOI by the LOI Bid Deadline the parties invited to enter into the second phase of the SISP (the “**Phase 2 Parties**”) to conduct additional due diligence;
 - (g) request that Phase 2 Parties submit binding offers together with a duly executed proposed transaction document(s) (the “**Qualified Bid**”) by 11:59 p.m. prevailing Eastern Time on a date to be determined by the Transaction Advisor (as applicable) and the CRO, with the consent of the Monitor and the DIP Lender, as may be extended by the Transaction Advisor (as applicable) and the CRO and with the consent of the Monitor and the DIP Lender or further order of the Court (the “**Qualified Bid Deadline**”); and
 - (h) communicate any extensions of the LOI Bid Deadline and Qualified Bid Deadline to parties that have executed an NDA.
34. The Proposed SISPs set out what elements must be included in a bid in order for such bid to be considered a Qualified Bid, including, among other things, that such bid must:
- (a) provide a detailed sources and uses schedule identifying, with specificity, the amount of cash consideration and any assumptions that could reduce the net consideration payable;

- (b) not be conditional on obtaining financing, on any board of directors or similar governing body or equity holder approval, or on the outcome or review of due diligence;
- (c) specify any government, regulatory or other third-party approvals anticipated to be required, including competition, foreign investment and national security approvals, together with the anticipated timeframe and impediments, so that closing risk can be assessed;
- (d) describe the bidder's proposed operating and business plan for the Mine, including (i) the proposed production plan and anticipated throughput capacity, (ii) anticipated capital expenditure requirements for any proposed expansion or alternative operational plan, and (iii) the anticipated financing or resources to execute such plan. For the avoidance of doubt, the foregoing is not limited to the expansion of a railway from the Mine south to the Steensby Inlet (the "**Steensby Expansion**") and bidders may propose any alternative operating plan they consider achievable and commercially viable;
- (e) describe the bidder's intentions for the Mine, including as it relates to the Steensby Expansion, and the engagement of employees both at the Mine and head office, contractors, customers, contracts and vendors under the proposed bid;
- (f) not include any request for or entitlement to a break fee, expense reimbursement or similar payment, and confirm that the bidder bears its own costs and expenses;

- (g) include a letter stating that the bid is irrevocable until the selection of the Successful Bid and, if such bid is selected as the Successful Bid or as the next-highest or otherwise best Qualified Bid as compared to the Successful Bid (such bid, the “**Back-Up Bid**”), it shall remain irrevocable until the closing of the Successful Bid or the termination of the SISP (whichever occurs first);
 - (h) include an acknowledgment and representation that, except to the extent set forth in a written agreement as between the bidder and the Debtors, the bidder, among other things, agrees its bid shall serve as a Back-Up Bid, if its bid is selected as the next-highest or otherwise best Qualified Bid as compared to the Successful Bid;
 - (i) treat the IIBA, the Commercial Lease, and their associated embedded agreements as unaffected;
 - (j) be accompanied by a cash deposit of 5% of the total consideration payable contemplated by the bid, in accordance with the requirements of the SISP.
35. At any time after a prospective bidder executes an NDA, the Transaction Advisor (as applicable) and the CRO, in consultation with the Monitor, shall be authorized, but not required, to permit certain parties to attend site visits.²

² In determining whether to permit a party to attend a site visit, the CRO, in consultation with the Monitor and the Transaction Advisor, shall consider various factors, including: (a) the identity of the party and the prospect of it submitting a Qualified Bid, (b) the costs associated with the site visit, (c) whether the party has attended a site visit previously, (d) the number of parties that have attended site visits or are seeking to attend site visits, (e) the nature of the site visit, and (f) whether the site visit is reasonably expected to materially increase the likelihood of the culmination of a Successful Bid.

36. Following the Qualified Bid Deadline, the Decision Maker may, in consultation with the CRO (as applicable), the Monitor and the Transaction Advisor, (a) continue negotiations with one or more bidders that have submitted Qualified Bids, to the exclusion of others, with a view to selecting one or more non-overlapping Qualified Bids or credit bid as the successful bid(s) (the “**Successful Bid(s)**”) or Back-Up Bid, taking into account the overall value of each such bid in the judgment of the Decision Maker, after consultation with the CRO (as applicable), the Transaction Advisor and the Monitor, and applicable conditions to completion, among other factors, (b) proceed with an auction to determine the Successful Bid(s) or Back-Up Bid,³ and (c) take such steps as are necessary to finalize and consummate the Successful Bid(s).
37. Following selection of a Successful Bid, and the finalization of necessary definitive agreement(s) with respect to a Successful Bid by the Decision Maker, in consultation with the CRO (as applicable), with the assistance of the Transaction Advisor and other advisors, as needed, the Decision Maker may (or may cause the Debtors to, as applicable) apply to the Court for an order approving such Successful Bid and granting certain authorizations to the Decision Maker (a “**Transaction Approval Order**”).⁴
38. The timeline for the SISP, which may be extended by the Transaction Advisor (as applicable) and the CRO with the consent of the Monitor and the DIP Lender in accordance with the terms of the Proposed SISPs, is summarized as follows:

³ Any such auction shall be administered in accordance with auction procedures to be determined by the CRO and the Transaction Advisor, in consultation with the Monitor, and provided to all bidders that have submitted a Qualified Bid at least two business days prior to the auction.

⁴ If the Successful Bid is not consummated in accordance with its terms, the CRO shall be authorized, but not required, to designate the Back-Up Bid (if any) as the Successful Bid and seek a Transaction Approval Order with respect thereto.

Event	Timing
1. Preparation of Marketing Materials CRO and the Transaction Advisor, under the supervision and oversight of the Monitor, to prepare marketing materials and the Process Letter containing, among other things, the key milestones under the SISP.	This step commenced as a pre-SISP step and is ongoing.
2. NDA Solicitation CRO and the Transaction Advisor, under the supervision and oversight of the Monitor, to solicit interest from parties to enter into NDAs.	This step commenced as a pre-SISP step and is ongoing.
3. Access to VDR CRO and the Transaction Advisor, under the supervision and oversight of the Monitor, to prepare and provide applicable parties with access to one or more VDRs.	VDR to be populated following the granting of an order approving the SISP. Access to be granted only following execution of an NDA.
4. LOI Bid Deadline Deadline for parties to submit initial non-binding LOIs.	A date to be communicated to parties in the Process Letter (which date may be extended by the Transaction Advisor (as applicable) and the CRO with the consent of the Monitor).
5. Invitation to participate in Phase 2 CRO and Transaction Advisor, under the supervision and oversight of the Monitor, to invite the Phase 2 Parties to conduct detailed due diligence.	Following the LOI Bid Deadline.
6. Qualified Bid Deadline Deadline for Phase 2 Parties to submit a Qualified Bid.	11:59 p.m. prevailing Eastern Time on a date to be determined (as may be extended by the Transaction Advisor (as applicable) and the CRO with the consent of the Monitor or further order of the Court).
7. Finalization of definitive agreements Decision Maker, with the assistance of the Transaction Advisor and other advisors, as needed, to finalize any necessary definitive agreement(s) with respect to the Successful Bid(s) or Back-Up Bid.	Following selection of a Successful Bid.

Event	Timing
8. Transaction Approval Order Decision Maker to apply to the Court for an order approving a Successful Bid.	Once the necessary definitive agreement(s) with respect to a Successful Bid have been finalized.

39. The SISP provides that the CRO and the Transaction Advisor (as applicable), in consultation with the Debtors where appropriate and with the consent of the Monitor, may limit access to any confidential information (including any information in any VDR) where, in the opinion of the CRO, and (or in consultation with, as applicable) the Monitor and the Transaction Advisor, such access could negatively impact the SISP, the ability to maintain the confidentiality of the Debtors' confidential or competitive information, the Debtors' shares, assets and/or business. Selected due diligence information may be withheld from any party that has executed an NDA if the CRO and the Transaction Advisor (as applicable) and with the consent of the Monitor, determine such information represents proprietary or sensitive competitive information.
40. The SISP provides in paragraph 15 that the CRO, the Monitor and the Transaction Advisor will update the Debtors' stakeholders and consult with them, as appropriate, in respect of the SISP, provided that such updates will not be provided to any party unless it is a Non-Participating Party (as further described below). All such updates or consultation, and any information and documents provided in connection therewith, are provided to Non-Participating Parties on a strictly confidential basis.⁵
41. Paragraph 16 of the SISP provides that a party shall, no later than five days after the granting of the order approving the SISP, deliver irrevocable written confirmation (the "**Non-Participation Confirmation**") to the CRO and the Monitor, with such modifications as the CRO and the Monitor consider appropriate in their sole and reasonable discretion, certifying that neither it, its affiliates nor any funds managed

⁵ The Secured Lenders' Proposed SISP has included some minor modifications to this provision of the SISP.

by it or its affiliates will participate in the SISP, directly or indirectly, in any capacity (including in a personal capacity), including as: (i) a bidder or prospective bidder; (ii) a direct or indirect shareholder, unitholder, equity holder, holder of a participating interest, director, or officer of a bidder or prospective bidder; (iii) a lender, provider, or arranger of financing or other financial accommodation to or for the benefit of a bidder or prospective bidder; (iv) a partner, co-investor, consultant, or other person acting in concert with a bidder or prospective bidder; or (v) an affiliate, agent, or representative of any of the persons described in paragraphs (i) through (iv) (together with their advisors, the “**Non-Participating Parties**” and each a “**Non-Participating Party**”), except as permitted by the SISP.⁶

42. Notwithstanding the above, a party that has submitted an LOI may become a Non-Participating Party if it delivers irrevocable written confirmation to the CRO and the Monitor that it is withdrawing as a bidder in the SISP and will no longer participate as a bidder in any capacity.
43. The Proposed SISPs also provide that if following the Qualified Bid Deadline, no Qualified Bid (or combination of Qualified Bids) received would, if consummated, result in the infeasible and irrevocable repayment in full in cash of all of the secured debt obligations held by each of the secured lenders and/or noteholders to the Debtors (or otherwise provide for the assumption or satisfaction in full of such secured debt obligations on terms acceptable to each such secured lender and/or noteholder), any such secured lender and/or noteholder shall, notwithstanding its delivery of the Non-Participation Confirmation, be entitled to submit a credit bid only in an amount equal to its secured obligations plus an amount to repay in full and discharge all senior-ranking obligations, in accordance with the terms of the Proposed SISPs.
44. The Proposed SISPs also provide that all discussions regarding the SISP, a bid, an LOI or Qualified Bid must be directed through the CRO, the Transaction Advisor or the Monitor. Under no circumstances shall any bidder communicate or contact,

⁶ The Secured Lenders’ Proposed SISP has included some minor modifications to this provision of the SISP.

directly or indirectly, whether or not initiated by the bidder, with any other bidder, management of the Debtors, the Debtors' creditors or shareholders, QIA, NTI, any stakeholder of the Debtors, or any regulators or governmental authority having oversight in respect of the Debtors or their permits in each case without the prior written consent of the CRO, in consultation with the Monitor and the Transaction Advisor. No bidder shall engage in any collusion or without the prior written consent of the CRO, in consultation with the Monitor and the Transaction Advisor, be acting jointly or in concert with any other bidder or person regarding the SISP. Any such unauthorized contact or communication could result in exclusion of the interested party from the SISP.

45. The Monitor has considered the Proposed SISPs in light of the principles of section 36 of the CCAA and decisions of the Court dealing with the sale of assets in court-supervised restructuring proceedings. The Monitor is of the view that the Proposed SISPs are consistent with those principles and provide for a broad, open, fair and transparent process with an appropriate level of independent oversight, that is reasonably expected to encourage and facilitate bidding by interested parties to result in a value-maximizing transaction for the benefit of the Debtors' stakeholders and is reasonable in the circumstances. Furthermore, the Monitor does not believe that any aspect of the Proposed SISPs should discourage parties from submitting offers.
46. Accordingly, the Monitor is of the view that a Proposed SISP should be approved. After consideration is given to the Decision-Making Dispute, for the reasons set out below, the Monitor recommends that the Court approve the Secured Lenders' Proposed SISP.

THE DECISION-MAKING DISPUTE

47. The key disagreement between the Debtors and the DIP Lender and the Senior Secured Lenders relates to who will have ultimate decision-making authority over certain aspects of the SISP including waiving bidding criteria, the identification of a Successful Bid and the finalization of any resulting transaction:

- (a) The Debtors say that it should be the Debtors with such decision-making authority, being controlled by the Operating Committee in accordance with the proposed Independence Mandate (described below); and
 - (b) The DIP Lender and the Senior Secured Lenders say that it should be the CRO.
48. The Monitor has been advised by the CRO that if the Secured Lenders' Proposed SISP is selected, the CRO is prepared to act in accordance with the Secured Lenders' Proposed SISP. Further, the Monitor notes that the facts submitted by the DIP Lender and the Senior Secured Lenders suggest they would also be satisfied with the Monitor being granted decision-making authority under the SISP. The Monitor is prepared to undertake any responsibilities with respect to the SISP that the Court deems appropriate in the circumstances.

The decision-making authority over the Debtors

49. As set out in the Initial van Tonder Affidavit, pursuant to the terms of a unanimous shareholders agreement (the "USA"), all decision-making authority over NIO, BIM LP and BIM is vested in an operating committee (the "**Operating Committee**").
50. The Operating Committee is comprised entirely of appointees from NIO's two shareholder groups: the Energy & Minerals Group ("**EMG**") and ArcelorMittal Canada Inc. ("**AM**"). These appointees include:
- (a) Five EMG appointees, including Jowdat Waheed and Bruce Walter, members of the management of the Debtors; and
 - (b) Two AM appointees.
51. As set out in the Second Report, the Monitor's observations in these CCAA Proceedings at that time led the Monitor to recommend that an experienced CRO be appointed in respect of the Debtors. The Monitor subsequently conducted a process

in accordance with the terms of the DIP Settlement Agreement (to which the Debtors were a party), pursuant to which the CRO was unanimously selected by the Debtors, the DIP Lender and the Senior Secured Lenders and whose selection was approved by the Court.

52. The Applicants' motion for the Applicants' SISP Approval Order also includes disclosure of an independent member mandate (the "**Independence Mandate**"), which would apply in the event that, among other things, EMG or AM chooses to participate in the SISP (EMG has since confirmed that it will not be participating in the SISP). Specifically, the Independence Mandate provides that:⁷

(a) An Operating Committee member (a "**Member**") shall be deemed to have a "**Conflict**" if that Member:

- (i) is a party to a material contract or transaction or proposed material contract or transaction with the Company or other member of the Group, or
- (ii) is a director (or an individual fulfilling a similar role) or an officer of, or has a material interest in, any person who is a party to a material contract or transaction or proposed material contract or transaction with the Corporation or other member of the Group,

and that material contract or transaction, or proposed material contract or transaction, is currently and directly at issue in the CCAA Proceedings and being considered before the Operating Committee, being a "**Matter**";

(b) A Member shall be deemed to have a Conflict with respect to any Matter that involves, among other things, the participation or stated participation by the Member or any of its Member Related Parties in the SISP;

⁷ Capitalized terms not otherwise defined in this paragraph have the meanings given to them in the Independence Mandate, a copy of which is attached to the Second Waheed Affidavit as Exhibit "K".

- (c) A Member will become a “**Conflicted Member**” where the Member has self-disclosed the Conflict or where the Operating Committee has determined that the Member has a Conflict, in accordance with the terms of the Independence Mandate;
 - (d) Where a Member is a Conflicted Member, such Member shall not attend Operating Committee meetings, receive any confidential or non-public information, vote on, or execute any resolution pertaining to a Matter; and
 - (e) In such a situation, the appropriate Independent Member (as defined in the Independence Mandate) shall be entitled to vote in respect of the Matter in lieu of the Conflicted Member, in accordance with the Independence Mandate.
53. The Independence Mandate also provides that it shall terminate upon (a) an order of the Court terminating the CCAA Proceedings or terminating the Independence Mandate or (b) a resolution of the Operating Committee expressly and unanimously terminating the Independence Mandate.
54. The Independence Mandate refers to section 3.1(c) of the USA, which takes away the power to manage or supervise the business of NIO from the directors and gives such power to the Operating Committee. Section 3.1(c) further states that the shareholders (in exercising the duties as directors) may act in their own best interests and allows each Member of the Operating Committee (in exercising the duties as directors) to act in the best interest of its appointing shareholder, in each case without regard to duties or obligations that would otherwise be applicable (such as fiduciary duties and the duty to act with a view to the best interests of the corporation prescribed by section 134(1) of the *Business Corporations Act*, R.S.O. 1990, c. B.16).
55. The Independence Mandate provides that this section of the USA shall not apply to any Member during the pendency of the CCAA Proceedings when carrying out their duties. The Monitor is of the view that the Operating Committee’s attempts to first

contract out of fiduciary duties and then to contract back into such duties on the eve of this motion ought to be considered by the Court in determining whether the Operating Committee or their Independent Member nominees are the appropriate parties to be entrusted with ultimate decision-making authority in the SISP.

56. The Monitor notes that it was provided with a draft of the Independence Mandate on August 7, 2026, but did not provide comments on such mandate in light of stakeholder opposition to same. The Monitor was not invited to any meeting and was not provided with any resolution where the Independence Mandate was approved and was only advised that it had been formally approved when the Service List received the Applicants' motion record containing the Second Waheed Affidavit on September 17, 2026.

The Monitor's views regarding the Applicants' Proposed SISP

57. The Operating Committee, operating on behalf of the Applicants' shareholder groups, has significant economic interests in these CCAA Proceedings that may affect the Operating Committee's ability to make decisions in the best interests of the Debtors. Specifically, AM is the Debtors' largest iron ore customer.
58. Further, in addition to being NIO's two largest shareholders, affiliates of EMG (the "**EMG Affiliates**") and AM, as well as companies belonging to Jowdat Waheed ("**WaheedCo**") and Bruce Walter ("**WalterCo**"), agreed, pursuant to the terms of two royalty agreements (the "**Royalty Agreements**"), to fund BIM LP and BIM up to \$300 million, in exchange for royalties on dry metric tonnes of iron ore shipped from the Milne port and the Steensby port, once complete. Specifically:
 - (a) Pursuant to the terms of the first royalty agreement dated March 25, 2024 (the "**March 2024 Royalty Agreement**"), a copy of which is attached to the Initial van Tonder Affidavit as Exhibit "J", an EMG Affiliate, AM, WaheedCo and WalterCo agreed to fund up to \$100 million in exchange for:

- (i) A royalty of \$0.50 per dry metric tonne of iron ore shipped from the Milne port (the “**Milne Fixed Royalty**”);
 - (ii) A royalty of \$0.50 per dry metric tonne of iron ore shipped from the Steensby port (the “**Steensby Fixed Royalty**”); and
 - (iii) A royalty of 3.125% of Revenues (as defined in the March 2024 Royalty Agreement) generated through the Steensby port (less certain costs) (the “**Steensby Floating Royalty**”).
- (b) Pursuant to the terms of the second royalty agreement dated December 23, 2024 (the “**December 2024 Royalty Agreement**”), a copy of which is attached to the Initial van Tonder Affidavit as Exhibit “K”, an EMG Affiliate, WaheedCo and WalterCo agreed to fund up to an additional \$200 million in exchange for:
- (i) A Milne Fixed Royalty in the same amount of \$0.50 per dry metric tonne of iron ore as the March 2024 Royalty Agreement;
 - (ii) A Steensby Fixed Royalty in the same amount of \$0.50 per dry metric tonne of iron ore as the March 2024 Royalty Agreement; and
 - (iii) A Steensby Floating Royalty in the amount of 1.5% until \$100 million is funded and then 1.875% once over \$100 million is funded.

59. Pursuant to the DIP Financing Agreement, the Approved Cash Flow shall include provision for royalty payments under the Royalty Agreements when due and payable, provided such Royalty Agreement is properly registered on title, and the Monitor's counsel is of the view that the royalty granted under such Royalty Agreement is a valid royalty at law and runs with the land. The Monitor is in the process of reviewing the Royalty Agreements and the value provided for the royalties contained therein to determine whether they are a valid royalty at law and whether the granting of the royalties constitutes a transaction at undervalue or if there are other aspects of the transactions in respect of the Royalty Agreements that would affect their validity. On September 22, 2026, the Monitor sent the CRO a letter requesting certain information that will feed into its analysis of whether the royalty is a valid royalty at law and runs with the land. As of the date of this Fifth Report, the Monitor has received certain of the information requested and understands that the remainder of the information is in the process of being collected.
60. The Monitor notes that subparagraph 6(xiii) of the Applicants' Proposed SISP provides that a Qualified Bid must provide "a description of the bidder's intentions for the Mine, including as it relates to Steensby Expansion, the engagement of employees both at the Mine and head office, contractors, customers, *contracts* [emphasis added] and vendors under the proposed bid". The Monitor has requested that this paragraph specifically refer to the need for a Qualified Bid to provide the bidder's intentions with respect to the Royalty Agreements described above, but the Debtors (through the Operating Committee) have refused to do so. The Monitor does not support the issuance of *any* SISP that does not contain a specific reference to the bidder's intentions with respect to royalties as part of the Qualified Bid criteria, as the value of any royalties that must be paid on iron ore is a crucial component in the assessment of any bid and will necessarily affect stakeholder treatment and recovery under the SISP. The Monitor notes that the Secured Lenders' Proposed SISP contains such a reference.

61. The Monitor is of the view that, in addition to being shareholders, as a result of the royalties and status as customer, the Operating Committee's members have an economic interest in the outcome of the SISP that could prevent the SISP from being viewed as having been conducted in a fair and transparent manner that maximizes value, which must be the bedrock of any SISP approved by the Court. The Monitor is of the view that these issues may not be rectified by the Independence Mandate for the following reasons:
- (a) The Independence Mandate provides that an independent Operating Committee member will be appointed where a Member has a Conflict, as described above. However, where there is not a Conflict, an independent member will not be appointed.
 - (b) A Member will only have a Conflict in respect of a Matter where the Matter is "currently and directly at issue in the CCAA Proceedings and being considered before the Operating Committee".
 - (c) A Member will only become a Conflicted Member where such Member has self-reported a Conflict or where the Operating Committee has determined that such Member is a Conflicted Member.
 - (d) The Independence Mandate can be terminated at any time by a unanimous resolution of the Operating Committee.
62. Therefore, unless a Matter is "currently and directly at issue in the CCAA Proceedings and being considered before the Operating Committee" (within the discretion of the Operating Committee and its Members), such Matter is not considered to be a Matter in respect of which a Member could have a Conflict. In this respect, if the Royalty Agreements or AM's status as a customer of the Debtors is not "currently and directly at issue in the CCAA Proceedings and being considered before the Operating Committee", in the discretion of the Operating Committee and its Members, then such Matter may not be considered a Conflict, even if it affects the

independence of the Member and the ability of the Member to make decisions in the best interests of the Debtors.

63. Further, even where a Member has a Conflict but fails to self-report such Conflict or is not reported by another Member as having a Conflict, that Member will not become a Conflicted Member.
64. Finally, the Independence Mandate could be terminated following the approval of the SISP upon resolution of the Operating Committee, while the power for the Debtors (through the Operating Committee) to make the decisions in the SISP including ultimately deciding on the Successful Bid, as set out in the Applicants' Proposed SISP, would continue.
65. In addition, the Monitor understands that the DIP Lender and the Senior Secured Lenders do not support the establishment of independent directors pursuant to the Independence Mandate for the reasons set out in the Second Glen Affidavit.⁸ Further, the DIP Lender and the Senior Secured Lenders have proposed an alternate SISP to the version proposed by the Applicants. In the Monitor's view, it should not have been necessary to appoint further independent directors who would have to get up to speed when there is already independence provided by two court officers – the CRO and the Monitor.

⁸ While the Second Waheed Affidavit provides that pursuant to the engagement letter between EMG and Mr. Goffman (EMG's nominee for independent Member), EMG is responsible for Mr. Goffman's compensation, the engagement letter (attached to the Second Waheed Affidavit as Exhibit "N") provides that the obligations to pay the fees and expenses of Mr. Goffman are the joint and several obligations of EMG and NIO.

66. The motion to approve a SISP was originally intended to be heard on August 27, 2026, in conjunction with the motion to approve the Transaction Advisor. Primarily as a result of the Decision-Making Dispute, the SISP did not proceed in a timely manner on that date. The Monitor remains focused on the efficient conduct of these CCAA Proceedings and is of the view that the most efficient path forward, to prevent further unnecessary delays, would be achieved through the CRO, with the assistance of the Monitor, having decision-making authority in the SISP. Having a court officer be entrusted with final decision-making authority will ensure that the interests of all stakeholders will be and will be perceived to be properly taken into account during the SISP.

The DIP Lender's consent rights

67. The DIP Financing Agreement entered into among BIM and BIM LP (as Borrowers), NIO and 123 (as Guarantors) and the DIP Lender provides that the Borrowers shall pursue a SISP approved pursuant to a court order in form and substance acceptable to the DIP Lender. All terms of the SISP must be acceptable to the DIP Lender in its reasonable discretion. Failure to obtain a SISP that is acceptable to the DIP Lender would therefore be an event of default under the DIP Financing Agreement.
68. The DIP Settlement Agreement entered into among the Debtors, the DIP Lender and the Senior Secured Lenders also provides that the Debtors, the Monitor and the CRO shall work in good faith with the Senior Secured Lenders on the development of the SISP and its terms. The Debtors were required to share drafts of the SISP with the Senior Secured Lenders and to consider and reflect, as appropriate, the reasonable comments of the Senior Secured Lenders.
69. The DIP Lender therefore has a consent right over the SISP, and the Senior Secured Lenders were entitled to provide comments, which would be reflected in the SISP if reasonable.

70. The DIP Lender and the Senior Secured Lenders have taken the position that the independent court-appointed officers in these CCAA Proceedings, being the CRO, with the assistance of the Monitor, should make the decisions in the SISP, rather than the Operating Committee. The DIP Lender does not consent to the Applicants' Proposed SISP, and has taken the position that the EDC DIP Facility will be in default if the Applicants' Proposed SISP is approved by the Court.
71. In a situation where there is a fundamental disagreement between the Debtors and their three groups of secured lenders over who should have final decision-making authority in a SISP, the Monitor is of the view that, on balance, it is appropriate for that decision-making authority to rest with the CRO, an independent court officer with no pre-existing economic stake in the Debtors, as opposed to an Operating Committee whose members have an economic interest in the outcome of the SISP.
72. In a letter dated September 30, 2026, a copy of which is attached hereto as **Appendix "F"**, counsel to the DIP Lender advised counsel to the Debtors that the Debtors were in default under the EDC DIP Facility and the second amendment thereto (the "**Second Amendment**") because the Debtors had (a) failed to meet the Revised Milestones⁹ as set out in the Second Amendment; and (b) sought a Court order approving a SISP, which Court order is not in form and substance acceptable to the DIP Lender acting reasonably. The letter also states that if an acceptable SISP is not approved on or prior to October 13, 2026, the DIP Lender can provide no assurance that further advances will be available.
73. In a letter dated October 2, 2026, a copy of which is attached hereto as **Appendix "G"**, counsel to the Debtors responded to counsel to the DIP Lender and took the position that no event of default has occurred, nor has any event of default arisen through any fault of the Debtors.

⁹ On August 27, 2026, the DIP Lender and the Debtors entered into the Second Amendment, pursuant to which the Debtors agreed, among other things, that the Debtors would obtain an order approving the SISP on or before September 30, 2026 (along with other milestones, the "**Revised Milestones**").

The Monitor's Recommendation

74. In a situation where the fairness, efficiency and transparency of the SISP is paramount, and where:
- (a) There are numerous examples of SISPs being approved by the Court in CCAA proceedings in which the debtors (through their boards of directors or otherwise) have final decision-making authority under a SISP and there are numerous examples of SISPs being approved by the Court in CCAA proceedings in which court-appointed officers have final decision-making authority under a SISP;
 - (b) The Decision-Making Dispute has caused a delay to the formal commencement of the SISP and the Monitor believes that the CCAA Proceedings must proceed in a more efficient manner moving forward, for the benefit of all stakeholders;
 - (c) The DIP Lender has a consent right over the SISP that was granted to it by the Debtors (through the Operating Committee) and approved by the Court;
 - (d) The DIP Lender and Senior Secured Lenders require the CRO, with the assistance of the Monitor, to make the key decisions in the SISP;
 - (e) The CRO and the Monitor are independent court officers with no pre-existing financial interest in the Debtors;
 - (f) The Debtors would like the Operating Committee to make the decisions in the SISP; and

- (g) The Operating Committee has a significant financial interest in the Debtors and the treatment of those interests by any Successful Bid in the SISP, and there are strong creditor concerns regarding the Operating Committee's ability to act objectively and independently in the SISP, even with the Independence Mandate;

the Monitor respectfully recommends that the Secured Lenders' Proposed SISP be approved, such that the CRO, with the assistance of the Monitor, is empowered to make the key decisions in the SISP.

The Monitor respectfully submits to the Court this Fifth Report.

Dated this 7th day of October, 2026.

FTI Consulting Canada Inc.

In its capacity as Monitor of

Nunavut Iron Ore, Inc., Baffinland Iron Mines Corporation and 12334992 Canada Inc.



Jeffrey Rosenberg
Senior Managing Director



Greg Watson
Senior Managing Director

Appendix A

Transaction Advisor Approval and Stay Extension Order



Court File No.: CL-26-00000219-0000

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

THE HONOURABLE	)	THURSDAY, THE 27 TH
	)	
MADAM JUSTICE STEELE	)	DAY OF AUGUST, 2026

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

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

Applicants

OMNIBUS ORDER

THIS MOTION, made by Nunavut Iron Ore, Inc. ("**NIO**"), Baffinland Iron Mines Corporation ("**BIM Corp**"), and 12334992 Canada Inc. (collectively, the "**Applicants**" and together with Baffinland Iron Mines LP, the "**Debtors**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") for an order, *inter alia*:

- (a) extending the Stay Period to and including December 11, 2026;
- (b) approving the engagement of Morgan Stanley Canada Limited (the "**Financial Advisor**") to act as transaction advisor to the Debtors on the terms set out in the Engagement Letter (defined below), *nunc pro tunc*;

- (c) granting Court-ordered charges in favour of the Financial Advisor to secure the fees payable to it pursuant to its engagement;
- (d) amending the priority of the Court-ordered charges granted in these proceedings; and
- (e) redacting and sealing certain commercially sensitive terms of the Engagement Letter until further Order of this Court,

was heard this day at 330 University Avenue, Toronto, Ontario by judicial video-conference via Zoom.

ON READING the affidavit of William E. Aziz sworn August 23, 2026 and the exhibits thereto (the “**Aziz Affidavit**”), the Fourth Report dated August 25, 2026 of FTI Consulting Canada Inc., in its capacity as monitor of the Applicants (in such capacity, the “**Monitor**”), together with the appendices thereto (the “**Fourth Report**”), and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for the Debtors, counsel for the Monitor, and such other counsel and parties as listed on the Participant Information Form, with no one else appearing although duly served as appears from the lawyer’s certificate of service, filed:

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that service of the Notice of Motion and the Motion Record in respect of this Motion is hereby abridged and validated, so that this Motion is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS** that any capitalized term used and not defined herein shall have the meaning ascribed thereto in the Second Amended and Restated Initial Order granted by this Court on June 11, 2026 (as amended by the Order granted by this Court on July 29, 2026, the “**SARIO**”) or in the engagement letter dated as of August 13, 2026, pursuant to which the CRO, on behalf of NIO and BIM Corp, engaged the Financial Advisor, a copy of which is attached as **Exhibit “F”** to the Aziz Affidavit (together with the indemnity agreement attached thereto, the “**Engagement Letter**”).

EXTENSION OF STAY PERIOD

3. **THIS COURT ORDERS** that the Stay Period is hereby extended until and including December 11, 2026.

ENGAGEMENT OF THE FINANCIAL ADVISOR

4. **THIS COURT ORDERS** that each of the following is hereby approved, *nunc pro tunc*: (a) the Engagement Letter; (b) the execution of the Engagement Letter by the CRO on behalf of each of NIO and BIM Corp; and (c) the retention of the Financial Advisor pursuant to the terms of the Engagement Letter, subject to such minor amendments thereto as the CRO and the Financial Advisor, in consultation with the Senior Secured Lenders and with the consent of the Monitor, may deem necessary.

5. **THIS COURT ORDERS** that NIO and BIM Corp are authorized and directed to pay the fees and expenses payable to the Financial Advisor in accordance with the terms and conditions of the Engagement Letter.

6. **THIS COURT ORDERS** that the obligations of NIO and BIM Corp to the Financial Advisor pursuant to the Engagement Letter shall be treated as unaffected and may not be compromised in any Plan or in any other proceeding commenced under the CCAA or the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended or any other restructuring in respect of the Debtors, and no Plan, proposal or restructuring shall be approved that does not provide for the payment of all amounts due to the Financial Advisor pursuant to the Engagement Letter.

7. **THIS COURT ORDERS** that the Covered Persons shall have no liability with respect to any losses, claims, damages or liabilities of any nature or kind to any person in connection with or as a result of the engagement of the Financial Advisor by the CRO, on behalf of NIO and BIM Corp, pursuant to the Engagement Letter, except to the extent that a court of competent jurisdiction determines, in a final judgment and in a proceeding in which the Financial Advisor is named as a party, that such losses, claims, damages or liabilities were caused by or resulted from the gross negligence or wilful misconduct of the Covered Persons.

FINANCIAL ADVISOR CHARGES

8. **THIS COURT ORDERS** that as security for the amounts due to the Financial Advisor pursuant to the Engagement Letter, the Financial Advisor shall be entitled to the benefit of:

- (a) a charge (the “**Financial Advisor Fee Charge**”) over the Property in the maximum amount of the aggregate of the Advisory Fee, the Announcement Fee and the Expenses; and

- (b) a charge (the “**Financial Advisor Transaction Fee Charge**”) over the Property in the maximum amount of the Transaction Fee or the Termination Fee, as applicable.

9. **THIS COURT ORDERS** that, to the extent applicable, the Financial Advisor shall be entitled to the benefit of paragraphs 43 to 47 of the SARIO.

PRIORITY OF COURT-ORDERED CHARGES

10. **THIS COURT ORDERS** that paragraph 42 of the SARIO is hereby amended and deleted and replaced with the following:

“42. **THIS COURT ORDERS** that the priorities of the Administration Charge, the CRO Fee Charge, the Financial Advisor Fee Charge, the D&O Charge, the DIP Charge, the Financial Advisor Transaction Fee Charge, and the CRO Tiered Success Fee Charge (collectively, the “**Charges**”) and the Encumbrances securing the indebtedness, liabilities and obligations owing under the Senior Secured Debt Documents (as defined in the CRO Engagement Letter approved by this Court on July 29, 2026) (the “**Senior Secured Lender Security**”) as among them, shall be as follows:

First – the Administration Charge (to the maximum amount of US\$5 million), the CRO Fee Charge (to the maximum amount of US\$1,000,000), and the Financial Advisor Fee Charge (in the maximum amount of the aggregate of the Advisory Fee, the Announcement Fee and the Expenses (each as

defined in the Engagement Letter approved by this Court on August 27, 2026)), on a *pari passu* basis;

Second – the D&O Charge (to the maximum amount of US\$20.4 million);

Third – the DIP Charge (to the maximum amount of the DIP Obligations then outstanding);

Fourth – the Financial Advisor Transaction Fee Charge (in the maximum amount of the Transaction Fee or the Termination Fee (each as defined in the Engagement Letter approved by this Court on August 27, 2026)), as applicable;

Fifth – the Senior Secured Lender Security (to the maximum amount of the indebtedness, liabilities and obligations owing under the Senior Secured Debt Documents then outstanding); and

Sixth – the CRO Tiered Success Fee Charge (in the amount of the Tiered Success Fee under the CRO Engagement Letter approved by this Court on July 29, 2026).”

SEALING

11. **THIS COURT ORDERS** that **Confidential Exhibit “G”** to the Aziz Affidavit shall be and is hereby sealed, kept confidential, and shall not form part of the public record, pending further order of this Court.

GENERAL

12. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories of Canada.

13. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Debtors and the Monitor, and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Debtors and the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Debtors and the Monitor and their respective agents in carrying out the terms of this Order.

14. **THIS COURT ORDERS** that each of the Debtors and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

15. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Eastern Time) on the date of this Order.

Jana
Steele

Digitally signed
by Jana Steele
Date:
2026.08.27
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IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c.C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF NUNAVUT IRON ORE, INC., BAFFINLAND IRON
MINES CORPORATION, AND 12334992 CANADA INC.

Applicants

Court File No.: CL-26-00000219-0000

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

Proceeding Commenced at Toronto

OMNIBUS ORDER

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Appendix B

Endorsement from August 27 Hearing



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CL-26-00000219-0000

DATE: August 27, 2026

NO. ON LIST: 1

TITLE OF PROCEEDING: Nunavut Iron Ore, Inc.; Baffinland Iron Mines Corporation; 12334992 Canada Inc. v. CANADIAN IMPERIAL BANK OF COMMERCE; Qikiqtaaluk Corporation; Qikiqtani Industry Ltd.; THE INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 793; IRH Global Trading Ltd.; Macquarie Equipment Finance Ltd.; Centaurus Capital LP; The Workers Safety & Compensation Commission; Glencore AG; Bondyn Products Inc.; Ad Hoc Committee of Senior Secured Noteholders; The Energy & Minerals Group; Oaktree Capital Management, L.P.; Hartree Partners, LP; Wanxiang America Corporation

BEFORE: JUSTICE J. STEELE

PARTICIPANT INFORMATION

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ENDORSEMENT OF JUSTICE STEELE:

- [1] The Debtors seek an order extending the stay period, approving the engagement of Morgan Stanley as the financial advisor, approving charges related to the compensation for the Financial Advisor, and sealing a confidential appendix which contains the fee structure for the fees payable to the Financial Advisor, among other things.
- [2] No one opposes the relief sought.
- [3] Capitalized terms used in this endorsement that are not defined herein have the meaning set out in the Debtors' factum.
- [4] The Stay Period currently expires on August 28, 2026, and the Debtors seek to extend the Stay Period to December 11, 2026. Pursuant to s. 11.02(2) of the CCAA, this Court is empowered to extend the stay of proceedings granted to a debtor company. In doing so, the Court must consider whether: (a) the order sought is appropriate in the circumstances; and (b) the applicant has been acting in good faith and with due diligence. The August Forecast provided in the Fourth Report reflects that there is sufficient funding to fund operations and the costs of these proceedings during the proposed extension period. Additional time is needed for the Proposed Transaction Advisor, the CRO and the Monitor to engage in pre-SISP activities, for the Offtake Solicitation Process to be completed, and to finalize seek, approval of and commence the SISP, among other things. The Monitor believes that no creditor will be materially prejudiced if the extension is granted. The requested extension is supported by the Monitor who is of the view that the Debtors are acting in good faith and with due diligence. Accordingly, the requested stay extension is approved.
- [5] The engagement of Morgan Stanley as the Financial Advisor is also approved. The Engagement Letter with Morgan Stanley is approved *nunc pro tunc*. The court has the jurisdiction to approve the engagement of advisors under s. 11 of the CCAA: *Tacora Resources Inc. (Re)*, 2023 ONSC 6126, at para. 158(b). As noted in the Fourth Report, the terms of the Engagement Letter, including the proposed advisory and success fees payable to the Financial Advisor, are commercially reasonable in the circumstances, and are appropriately tailored to these proceedings. The engagement of Morgan Stanley is intended to support the next phase of the restructuring, including advancing the development of the SISP. Morgan Stanley is a leading global independent investment bank with extensive restructuring, M&A and investment banking experience. The Monitor agrees that the Financial Advisor is well qualified for its proposed role. Further, the Debtors, the DIP Lender and the Senior Secured Lenders all support the appointment of the Financial Advisor and the approval of the Engagement Letter.
- [6] Under s. 11.52(1) of the CCAA, on notice to affected secured creditors, "the court may make an order declaring that all or part of the property of a debtor company is subject to a security or charge – in an amount that the court considers appropriate – in respect of the fees and expenses of ... any financial, legal or other experts engaged by the company for the purposes of proceedings under this Act." S. 11.52(2) of the CCAA permits the court to order that such a charge rank in priority over the claims of any secured creditor. The Debtors' secured creditors were all served with notice of the motion.
- [7] The proposed charges (the Financial Advisor Charges), and the proposed ranking of the charges, are also approved. These charges will secure the fees and expenses payable to Morgan Stanley. For the reasons set out in para. 34 of the Debtors' factum and taking into consideration the non-exhaustive factors set out in *Re Canwest Publishing Inc.*, 2010 ONSC 222, at para. 54, I am satisfied that the Financial Advisor Charges should be granted. Among other things, and as noted above, no one opposes the relief sought. EDC and the

Senior Secured Lenders played a role in the selection of the Financial Advisor and the negotiation of the Engagement Letter, including the fees and the charges. The Monitor also supports the approval of the Financial Advisor Charges.

[1] The proposed limited sealing order is also approved. The Debtors seek a limited sealing order in respect of the Confidential Appendix (which is an unredacted version of the Engagement Letter). The redacted version of the Engagement Letter does not contain the structure of the fees that will be payable to the Financial Advisor, which are tied to the value of a potential transaction under the SISP. As noted by the Debtors, disclosure of the redacted information could allow bidders to estimate the Financial Advisor's views on value and submit strategic bids accordingly, negatively impacting the SISP. In addition, the disclosure of the fee arrangements could prejudice the Financial Advisor's competitive position by revealing its pricing structure. I am satisfied that the requested sealing order for the Confidential Appendix meets the test in *Sherman Estate v. Donovan* 2021 SCC 25 at para 38 and that disclosure of this information would pose a risk to the public interest of maximizing recovery in an insolvency. No reasonable alternative to a sealing order exists. The sealing order sought is proportional, as only the fee information will be withheld from the public record. The Monitor supports the proposed sealing order. The Monitor is directed to follow the applicable guidelines for the filing of sealed material with the court.

[8] Order to go in the form signed by me today, with immediate effect.

Date: Aug 27, 2026



Justice J. Steele

Appendix C

Applicants' Proposed SISP

SALE AND INVESTMENT SOLICITATION PROCESS

1. On September 24, 2026, the Ontario Superior Court of Justice (the “**Court**”) granted the SISP Order that, among other things, authorized Nunavut Iron Ore, Inc., Baffinland Iron Mines Corporation, 12334992 Canada Inc. and Baffinland Iron Mines LP (each a “**Debtor**” and collectively, the “**Debtors**”) to implement a sale and investment solicitation process (the “**SISP**”) in accordance with the terms hereof.
2. This SISP sets out the manner in which (i) bids for a broad range of executable transaction alternatives involving the business and assets or shares of the Debtors, whether *en bloc* or any portion(s) thereof, including for greater certainty, recapitalization transaction alternatives, will be solicited from interested parties, (ii) any bids received will be addressed, (iii) any Successful Bid will be selected, and (iv) the Court’s approval of any Successful Bid(s) will be sought.¹ Such transaction alternatives may include, among other things, a sale of some or all of the Debtors’ shares, assets and/or business and/or an investment in a Debtor or the Debtors, each of which shall be subject to all terms set forth in this SISP.
3. The SISP shall be conducted by the Chief Restructuring Officer (the “**CRO**”) of the Debtors in consultation with the Debtors, with the assistance of Morgan Stanley Canada Limited (the “**Transaction Advisor**”) and under the supervision and oversight of FTI Consulting Canada Inc. in its capacity as Court-appointed monitor of the Debtors (the “**Monitor**”).
4. Parties who wish to have their bids and/or proposals considered shall be required to participate in this SISP.
5. The SISP will be conducted such that the CRO and the Transaction Advisor will, under the supervision and oversight of the Monitor:
 - (i) prepare marketing materials and a process letter (the “**Process Letter**”) containing, among other things, the key milestones under the SISP;
 - (ii) prepare and provide applicable parties with access to one or more virtual data rooms (“**VDR**”) containing, among other things, diligence information;
 - (iii) facilitate a due diligence process including management presentations and customary financial and operational due diligence, in each case with the assistance of management personnel;
 - (iii) solicit interest from parties to enter into non-disclosure agreements (“**NDA**”) (and parties shall obtain access to the VDRs and be permitted to participate in the SISP only if they have executed an NDA, in form and substance satisfactory to the CRO);
 - (iv) request that such parties submit initial non-binding letters of intent (“**LOIs**”) on a date to be communicated to parties in the Process Letter, which date may

¹ To the extent any dates fall on a non-business day, such date shall be the first business day thereafter.

be extended by the Transaction Advisor and the CRO, with the consent of the Monitor and the DIP Lender (the “**LOI Bid Deadline**”);

- (v) select from parties that submitted an LOI by the LOI Bid Deadline the parties invited to enter into the second phase of the SISP (the “**Phase 2 Parties**”) to conduct detailed due diligence;
- (vi) request that Phase 2 Parties submit binding offers together with a duly executed proposed transaction document(s) (the “**Qualified Bid**”) by 11:59 p.m. prevailing Eastern Time on a date to be determined by the Transaction Advisor and the CRO, with the consent of the Monitor and the DIP Lender, as may be extended by the Transaction Advisor and the CRO and with the consent of the Monitor and the DIP Lender or further order of the Court (the “**Qualified Bid Deadline**”); and
- (vii) communicate any extensions of the LOI Bid Deadline and Qualified Bid Deadline to parties that have executed an NDA.

6. In order to constitute a Qualified Bid, a bid must comply with the following:

- (i) Value and Consideration. It provides a detailed sources and uses schedule that identifies, with specificity, the amount of cash consideration and any assumptions or proposed adjustments that could reduce the net consideration payable thereunder;
- (ii) Modified Transaction Agreement. It contains a duly executed binding transaction document(s) together with all completed schedules thereto and the detailed terms and conditions of the proposed transaction, and, if applicable, a redline to the form of transaction document (s) provided as part of this SISP;
- (iii) Identification of Bidder. It contains the legal name and identity (including jurisdiction of existence) and contact information of the bidder, full disclosure of its direct and indirect principals, the name(s) of its sponsors and controlling equityholder(s) and disclosure of any connections, agreements or other arrangements with the Debtors or any of their affiliates, or any known, potential or prospective bidder, or any officer, manager, director, or known equity security holder of the Debtors or any creditors, customers or debt holders of the Debtors;
- (iv) No Contingencies. It is not conditional on obtaining financing, any board of director or similar governing body or equity holder approval or on the outcome or review of due diligence;
- (v) Required Approvals. It specifies any government, regulatory or other third-party approvals required to complete the transaction, including but not limited to competition, foreign investment and national security interest approvals, with the anticipated strategy, timeframe and potential impediments for obtaining such approvals set forth in detail, such that the CRO, in consultation with the Transaction Advisor and the Monitor, can assess the risk to closing associated with any such conditions or approvals;

- (vi) Other Information. It contains such other information reasonably requested by the CRO, the Debtors, the Transaction Advisor or the Monitor;
- (vii) Irrevocable. It includes a letter stating that the bid is irrevocable until the selection of the Successful Bid and, if such bid is selected as the Successful Bid or as the next-highest or otherwise best Qualified Bid as compared to the Successful Bid (such bid, the “**Back-Up Bid**”), it shall remain irrevocable until the closing of the Successful Bid or the termination of the SISP (whichever occurs first);
- (viii) Proof of Financial Ability to Perform. It provides written evidence of a bidder’s ability to (a) fund and consummate the transaction and satisfy its obligations under the transaction documents, on terms set by the CRO, in consultation with the Transaction Advisor, the Monitor and the DIP Lender including the sources of financing and binding equity/debt commitment letters and/or guarantees covering the full value of all consideration payable, and (b) fund the working capital requirements of the business for a period of not less than 24 months following closing;
- (ix) Operating and Business Plan. It includes a summary of the bidder’s proposed operating and business plan for the Mary River Mine (the “**Mine**”), including (a) the proposed production plan and anticipated throughput capacity, (b) anticipated capital expenditure requirements for any proposed expansion or alternative operational plan, and (c) the anticipated financing or resources to execute such plan. For the avoidance of doubt, the foregoing is not limited to the expansion of a railway from the Mine south to the Steensby Inlet (the “**Steensby Expansion**”) and bidders may propose any alternative operating plan they consider achievable and commercially viable;
- (ix) No Break Fee, Expense Reimbursement. It does not include any request for or entitlement to any break fee, expense reimbursement or similar type of payment;
- (x) Qikiqtani Inuit Association (“**QIA**”) and Nunavut Tunngavik Inc (“**NTI**”). It treats the amended and restated Inuit Impact and Benefit Agreement dated October 22, 2018 between the Qikiqtani Inuit Association and Baffinland Iron Mines Corporation and the Commercial Lease for Inuit Owned Lands No. Q13C301 and their associated embedded agreements as unaffected;
- (xi) Acknowledgments and Representations. It includes an acknowledgment and representation that, except to the extent set forth in a written agreement as between the bidder and the Debtors, the bidder (a) has had an opportunity to conduct any and all required due diligence prior to making its bid, (b) is not relying upon any written or oral statements, representations, promises, warranties, conditions, or guaranties whatsoever whether express or implied (by operation of law or otherwise), made by any person or party, including the Debtors, the CRO, the Transaction Advisor or the Monitor, or any of their respective employees, officers, directors, agents, advisors and other representatives, regarding the transaction that is the subject of the bid, this SISP, or any information provided in connection therewith, (c) agrees that the transaction that is the subject of the bid shall be on an “as is, where is” basis

and without surviving representations, warranties, covenants or indemnities of any kind, nature or description by the Debtors, the CRO, the Transaction Advisor or the Monitor, or their respective employees, officers, directors, agents, advisors and other representatives, except to the extent set forth in a written agreement as between the bidder and the Debtors, (d) agrees its bid shall serve as Back-Up Bid, if its bid is selected as the next-highest or otherwise best Qualified Bid as compared to the Successful Bid, (e) has not engaged in any collusion with respect to the submission of its bid, and (f) agrees to be bound by the terms of the SISP;

- (xii) Costs and Expenses. It contains a statement that the bidder will bear its own costs and expenses (including legal and advisor fees) and the costs of obtaining any regulatory approvals in connection with the proposed transaction and by submitting its bid is agreeing to refrain from and waive any assertion or request for reimbursement on any basis;
 - (xiii) Treatment of Employees, Contracts, Etc. It provides a description of the bidder's intentions for the Mine, including as it relates to Steensby Expansion, the engagement of employees both at the Mine and head office, contractors, customers, contracts and vendors under the proposed bid;
 - (xiv) Deposit. It is accompanied by a cash deposit (the "**Deposit**") of 5% of the total consideration payable contemplated by such bid, which shall be paid to the Monitor by wire transfer (to a bank account specified by the Monitor) and held in trust by the Monitor in accordance with this SISP (for the avoidance of doubt, a Deposit shall be required with respect to that is 5% of the cash component of any credit bid pursuant to Section 18); and
 - (xv) Deadline. It is received by the Qualified Bid Deadline (as may be extended in accordance with Section 5 above).
7. The Debtors, in consultation with the CRO, the Monitor and the Transaction Advisor may waive compliance with any one or more of the requirements specified in Section 6 above and deem a non-compliant bid to be a Qualified Bid, provided that the Debtors may not waive compliance with Section 6(x);
8. Following the Qualified Bid Deadline, the Debtors may, in consultation with the CRO, the Monitor and the Transaction Advisor determine to (i) continue negotiations with one or more bidders that have submitted Qualified Bids, to the exclusion of others, with a view to selecting one or more non-overlapping Qualified Bids or credit bid as the successful bid(s) (the "**Successful Bid(s)**") or Back-Up Bid, taking into account the overall value of each such bid in the judgment of the Debtors after consultation with the CRO, Transaction Advisor and the Monitor, and applicable conditions to completion, among other factors, (ii) proceed with an auction to determine the Successful Bid(s) or Back-Up Bid, which auction shall be administered in accordance with auction procedures to be determined by the CRO and the Transaction Advisor, in consultation with the Monitor, and provided to all bidders that have submitted a Qualified Bid at least two business days prior to the auction, and (iii) take such steps as are necessary to finalize and consummate the Successful Bid(s). The Debtors have no obligation to conclude a sale or other transaction arising out of this SISP and the Debtors, in consultation with the CRO, reserve the right to reject any bid (including

any Qualified Bid) or to terminate the SISP, in each case with the consent of the Monitor and the DIP Lender.

9. Following selection of a Successful Bid, if applicable, the Debtors, in consultation with the CRO, with the assistance of the Transaction Advisor and other advisors, as needed, shall seek to finalize any necessary definitive agreement(s) with respect to the Successful Bid(s) or Back-Up Bid(s). Once the necessary definitive agreement(s) with respect to a Successful Bid have been finalized, the Debtors may apply to the Court for an order approving such Successful Bid and authorizing the Debtors or the CRO, as appropriate, to (i) enter into any and all necessary agreements and related documentation with respect to the Successful Bid, (ii) undertake such other actions as may be necessary to give effect to such Successful Bid, and (iii) implement the transaction(s) contemplated in such Successful Bid (a **"Transaction Approval Order"**). If the Successful Bid is not consummated in accordance with its terms, the Debtors, in consultation with the CRO, shall be authorized, but not required, in consultation with the Transaction Advisor, and with the consent of the Monitor, to designate the Back-Up Bid (if any) as the Successful Bid and seek a Transaction Approval Order with respect thereto.
10. All Deposits shall be retained by the Monitor in an interest-bearing trust account. If a Successful Bid is selected and a Transaction Approval Order is granted in connection therewith, any Deposit paid in connection with such Successful Bid will be non-refundable and shall, upon closing of the transaction contemplated by such Successful Bid, be applied to the purchase price to be paid in connection with such Successful Bid or be dealt with as otherwise set out in the definitive agreement(s) entered into in connection with such Successful Bid. Any Deposit (with interest earned, if any) delivered with a Qualified Bid that is not selected as a Successful Bid or Back-Up Bid, will be returned to the applicable bidder within ten business days of the date upon which the Successful Bid is approved pursuant to a Transaction Approval Order or such earlier date as may be determined by the CRO, in consultation with the Monitor and the Transaction Advisor. The Deposit in respect of the Back-Up Bid (if any) shall be returned to the applicable bidder within ten business days after the closing of the Successful Bid or such earlier date as may be determined by the CRO, in consultation with the Monitor and the Transaction Advisor. If a bidder breaches its obligations under the terms of the SISP or the definitive transaction document(s), its Deposit (if any) shall be forfeited as liquidated damages and not as a penalty, without limiting any other claims or actions that the Debtors may have against such bidder and/or its affiliates, including as set out in the definitive agreement(s).
11. At any time after a prospective bidder executes an NDA, the Transaction Advisor and the CRO, in consultation with the Monitor, shall be authorized, but not required, to permit certain parties to attend site visits. In determining whether to permit a party to attend a site visit, the CRO, in consultation with the Monitor and the Transaction Advisor shall consider various factors, including: (i) the identity of the party and the prospect of it submitting a Qualified Bid, (ii) the costs associated with the site visit, (iii) whether the party has attended a site visit previously, (iv) the number of parties that have attended site visits or are seeking to attend site visits, (v) the nature of the site visit, and (vi) whether the site visit is reasonably expected to materially increase the likelihood of the culmination of a Successful Bid. Site visits shall be made available to parties identified by the CRO in accordance with this Section on or prior to

September 30, 2026, provided that parties may visit site after such date as circumstances allow and the CRO and Transaction Advisor, in consultation with the Monitor, deems appropriate.

12. The CRO and the Transaction Advisor, in consultation with the Debtors where appropriate and with the consent of the Monitor, reserve the right to limit access to any confidential information (including any information in any VDR) where, in the opinion of the CRO, the Monitor and the Transaction Advisor, such access could negatively impact the SISP, the ability to maintain the confidentiality of the Debtors' confidential or competitive information, the Debtors' shares, assets and/or business. For the avoidance of doubt, selected due diligence information may be withheld from any party that has executed an NDA if the CRO and the Transaction Advisor and with the consent of the Monitor, determine such information represents proprietary or sensitive competitive information.
13. The Monitor, the CRO and the Transaction Advisor, and their advisors and representatives, make no representation or warranty as to the accuracy or completeness of the information contained in any VDR, or any other information provided throughout the due diligence process.
14. Subject to the terms hereof, and other than as shall be required in connection with the Transaction Approval Order, neither the Debtors, the CRO, the Monitor nor the Transaction Advisor will share (i) the identity of any bidder or potential bidder, or (ii) the terms of any LOIs, Qualified Bids, Successful Bids and/or Back-Up Bid, with any other bidder or potential bidder without the express written consent of such party (which consent may be given by way of e-mail).
15. The CRO, the Monitor and Transaction Advisor will update the Debtors' stakeholders and consult with them, as appropriate, in respect of the SISP, provided that such updates will not be provided to any party unless it is a Non-Participating Party. All such updates or consultation and any information and documents provided in connection therewith are provided to Non-Participating Parties on a strictly confidential basis.
16. A party shall, no later than five days after the granting of order approving the SISP, deliver irrevocable written confirmation to the CRO and the Monitor, with such modifications as the CRO and Monitor consider appropriate in their sole and reasonable discretion, certifying that neither it, its affiliates nor any funds managed by it or its affiliates will participate in the SISP, directly or indirectly, in any capacity (including in a personal capacity), including as: (i) a bidder or prospective bidder; (ii) a direct or indirect shareholder, unitholder, equity holder, holder of a participating interest, director, or officer of a bidder or prospective bidder; (iii) a lender, provider, or arranger of financing or other financial accommodation to or for the benefit of a bidder or prospective bidder; (iv) a partner, co-investor, consultant, or other person acting in concert with a bidder or prospective bidder; or (v) an affiliate, agent, or representative of any of the persons described in paragraphs (i) through (iv) (together with their advisors, the **"Non-Participating Parties"** and each a **"Non-Participating Party"**), except as permitted by Section 18. Notwithstanding this Section 16 a party that has submitted an LOI may become a Non-Participating Party if it delivers irrevocable written confirmation to the CRO and the Monitor that it is withdrawing as a bidder in the SISP and will no longer participate as a bidder in any capacity.

17. Any party (other than the Non-Participating Parties) holding a valid and enforceable, and properly perfected security interest in the assets or shares may, subject in all respects to such party's compliance with the SISP and the terms hereof, credit bid the amount of debt secured by such lien as part of any transaction contemplated by the SISP; provided that such transaction shall also provide for the indefeasible and irrevocable repayment in full in cash on the date of closing of any transaction of any and all obligations secured by a security interest in the assets or shares that are to be acquired under such transaction that is senior to or *pari passu* with the security interest held in such assets or shares by the party submitting such credit bid (including the Charges, if applicable) unless the holder or indenture trustee or agent of any such security interest, as applicable, otherwise agrees. For certainty, a credit bid shall provide written evidence acceptable to the Debtors, in consultation with the CRO, the Monitor and the Transaction Advisor of all required funding or financing to advance the cash consideration necessary to satisfy such priority payments in full in cash or otherwise assume such obligations in full, and that any such credit bid shall not be conditional upon obtaining financing. To the extent there is any dispute raised regarding the priority or quantum of a secured claim that is the subject of a credit bid, such matter shall be promptly resolved by determination from the Court. Non-Participating Parties may credit bid only in accordance with Section 18. For the avoidance of doubt, a secured lender and/or noteholder submitting a credit bid pursuant to this Section 17 shall be required to comply with all applicable requirements of this SISP, including without limitation Section 6(x).
18. Notwithstanding any other terms hereof, if, following the Qualified Bid Deadline, no Qualified Bid (or combination of Qualified Bids) received would, if consummated, result in the indefeasible and irrevocable repayment in full in cash of all of the secured debt obligations held by each of the secured lenders and/or noteholders to the Debtors (or otherwise provide for the assumption or satisfaction in full of such secured debt obligations on terms acceptable to each such secured lender and/or noteholder), any such secured lender and/or noteholder (or agent at the direction of the requisite secured lenders and/or noteholders, as applicable) shall, notwithstanding its delivery of the irrevocable written confirmation referred to in Section 15, be entitled to submit a credit bid in respect of its secured obligations in accordance with Section 17 (and subject to all of the requirements set forth therein, including the obligation to repay in full all senior-ranking or *pari passu* ranking obligations). Such secured lender and/or noteholder must deliver a written notice to the CRO of its intention to submit a credit bid within 15 days following the Qualified Bid Deadline and may only submit a credit bid in an amount equal to its secured obligations plus an amount to repay in full and discharge all senior-ranking obligations. Following delivery of such notice of intention, such secured lender and/or noteholder must submit its credit bid within 45 days, subject to extension by the Debtors, in consultation with the CRO and with the consent of the Monitor and the DIP Lender (provided that, the DIP Lender shall only have a consent right if the DIP Lender has irrevocably confirmed in writing that it will not submit a credit bid) if the credit bidding party demonstrates it is diligently pursuing completion of the credit bid. For the avoidance of doubt, a secured lender and/or noteholder submitting a credit bid pursuant to this Section 18 shall be required to comply with all applicable requirements of this SISP, including without limitation Section 6(x) and the deposit requirements set forth in Section 6(xiv), and its credit bid shall be evaluated by the Debtors, in consultation with the CRO, the Monitor and the Transaction Advisor, on the same basis as any other Qualified Bid. Such credit bid may be conditional on obtaining any government, regulatory or third-party approvals

required to consummate the transaction, provided that the credit bid specifies a long-stop period within which such approvals must be obtained.

19. With the consent of the DIP Lender, the CRO may at any time and from time to time, on notice to the service list maintained on the Monitor's website, modify, amend, vary or supplement the SISP without the need for obtaining an order of the Court, provided that the Monitor, in consultation with the CRO and the Transaction Advisor, determines that such modification, amendment, variation or supplement is not material to the SISP or will better promote the purpose of the SISP and maximization of the value of the Debtors' assets or shares; provided that any proposed material modification, amendment, variation or supplement (including any dispute regarding materiality raised by a party in interest after notice of any proposed modification, amendment, variation or supplement) shall require an order of the Court. Notwithstanding the foregoing, the requirements set forth in Section 6(x) may not be modified, amended, varied or supplemented without the consent of QIA.
20. All discussions regarding the SISP, a bid, an LOI or Qualified Bid must be directed through the CRO, the Transaction Advisor or the Monitor. Under no circumstances shall any bidder communicate or contact in connection with their proposed bid, directly or indirectly, whether or not initiated by the bidder, with any other party or persons that they know to be (i) a bidder in the SISP, (ii) the management of the Debtors, (iii) the Debtors' creditors or shareholders, (iv) QIA, (v) NTI, (vi) any stakeholder of the Debtors, or (vii) any regulators or governmental authority having oversight in respect of the Debtors or their permits, in each case without the prior written consent of the CRO, in consultation with the Monitor and the Transaction Advisor. For the avoidance of doubt, no bidder shall engage in any collusion or without the prior written consent of the CRO, in consultation with the Monitor and Transaction Advisor, be acting jointly or in concert with any other bidder or person regarding the SISP. Any such unauthorized contact or communication could result in exclusion of the interested party from the SISP. Where the prior consent of the CRO is given to allow a bidder to contact any of the foregoing parties to discuss its proposed bid, the CRO shall inform the Monitor of the granting of such consent.
21. The SISP does not, and will not be interpreted to create any contractual or other legal relationship between any of the Debtors, the Monitor, the CRO, or the Transaction Advisor and any bidder or any other party, other than as specifically set forth in a definitive agreement executed in connection with the SISP.
22. The Debtors, the CRO, the Transaction Advisor and the Monitor shall not have any liability whatsoever to any person or entity, including any bidder or any other creditor or stakeholder, as a result of implementation or otherwise in connection with this SISP (including in relation to any site visits conducted pursuant to Section 11), except to the extent that any such liabilities result from gross negligence or wilful misconduct of the Debtors, the CRO, the Transaction Advisor or the Monitor, as applicable, as determined by a final order of the Court. Further, no person or entity, including any bidder or any other creditor or stakeholder shall have any claim against the Debtors, the CRO, the Transaction Advisor or the Monitor in respect of the SISP for any reason whatsoever, except to the extent that such claim is the result of gross negligence or wilful misconduct by the Debtors, the CRO, the Transaction Advisor or the Monitor, as applicable, as determined by a final order of the Court.

23. For certainty and notwithstanding the generality of Section 6(xii), participants in the SISP are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any bid, due diligence activities, and any other negotiations or other action whether or not they lead to the consummation of a transaction.
20. For the avoidance of doubt, the approvals required pursuant to the terms hereof are in addition to, and not in substitution for, any other approvals required by the CCAA or any other statute or as otherwise required at law in order to implement a Successful Bid.
24. All bidders shall be deemed to have attorned to the jurisdiction of the Court in connection with any disputes relating to the SISP, including the qualification of bids, the construction and enforcement of the SISP, and closing, as applicable. In the event that there is disagreement as to the interpretation or application of this SISP, the Court will have the jurisdiction to hear and resolve such dispute.

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Appendix D

Secured Lenders' Proposed SISP

SALE AND INVESTMENT SOLICITATION PROCESS

1. On September 24, 2026, the Ontario Superior Court of Justice (the “**Court**”) granted the SISP Order that, among other things, authorized Nunavut Iron Ore, Inc., Baffinland Iron Mines Corporation, 12334992 Canada Inc. and Baffinland Iron Mines LP (each a “**Debtor**” and collectively, the “**Debtors**”) to implement a sale and investment solicitation process (the “**SISP**”) in accordance with the terms hereof.
2. This SISP sets out the manner in which (i) bids for a broad range of executable transaction alternatives involving the business and assets or shares of the Debtors, whether *en bloc* or any portion(s) thereof, including for greater certainty, recapitalization transaction alternatives, will be solicited from interested parties, (ii) any bids received will be addressed, (iii) any Successful Bid will be selected, and (iv) the Court’s approval of any Successful Bid(s) will be sought.¹ Such transaction alternatives may include, among other things, a sale of some or all of the Debtors’ shares, assets and/or business and/or an investment in a Debtor or the Debtors, each of which shall be subject to all terms set forth in this SISP.
3. The SISP shall be conducted by the Chief Restructuring Officer (the “**CRO**”) of the Debtors in consultation with the Debtors, with the assistance of Morgan Stanley Canada Limited (the “**Transaction Advisor**”) and under the supervision and oversight of FTI Consulting Canada Inc. in its capacity as Court-appointed monitor of the Debtors (the “**Monitor**”).
4. Parties who wish to have their bids and/or proposals considered shall be required to participate in this SISP.
5. The SISP will be conducted such that the CRO ~~and the Transaction Advisor~~ will, under the supervision and oversight of the Monitor:

(i) Together with the Transaction Advisor:

- ~~(i)~~(a) prepare marketing materials and a process letter (the “**Process Letter**”) containing, among other things, the key milestones under the SISP;
- ~~(ii)~~(b) prepare and provide applicable parties with access to one or more virtual data rooms (“**VDR**”) containing, among other things, diligence information;
- ~~(c)~~ ~~(iii)~~ facilitate a due diligence process including management presentations and customary financial and operational due diligence, in each case with the assistance of management personnel;
- ~~(iii)~~(d) solicit interest from parties to enter into non-disclosure agreements (“**NDA**”) (and parties shall obtain access to the VDRs and be permitted to participate in the SISP only if they have executed an NDA, in form and substance satisfactory to the CRO);

¹ To the extent any dates fall on a non-business day, such date shall be the first business day thereafter.

~~(iv)~~(e) request that such parties submit initial non-binding letters of intent (“LOIs”) on a date to be communicated to parties in the Process Letter, which date may be extended by ~~the Transaction Advisor and~~ the CRO, with the consent of the Monitor and the DIP Lender (the “**LOI Bid Deadline**”);

~~(v)~~(ii) select from parties that submitted an LOI by the LOI Bid Deadline the parties invited to enter into the second phase of the SISF (the “**Phase 2 Parties**”) to conduct detailed due diligence;

~~(vi)~~(iii) together with the Transaction Advisor, request that Phase 2 Parties submit binding offers together with a duly executed proposed transaction document(s) (the “**Qualified Bid**”) by 11:59 p.m. prevailing Eastern Time on a date to be determined by ~~Transaction Advisor and~~ the CRO, in consultation with the Transaction Advisor and with the consent of the Monitor and the DIP Lender, as may be extended by the ~~Transaction Advisor and the~~ CRO and with the consent of the Monitor and the DIP Lender or further order of the Court (the “**Qualified Bid Deadline**”); and

~~(vii)~~(iv) together with the Transaction Advisor, communicate any extensions of the LOI Bid Deadline and Qualified Bid Deadline to parties that have executed an NDA.

6. In order to constitute a Qualified Bid, a bid must comply with the following:

- (i) Value and Consideration. It provides a detailed sources and uses schedule that identifies, with specificity, the amount of cash consideration and any assumptions or proposed adjustments that could reduce the net consideration payable thereunder;
- (ii) Modified Transaction Agreement. It contains a duly executed binding transaction document(s) together with all completed schedules thereto and the detailed terms and conditions of the proposed transaction, and, if applicable, a redline to the form of transaction document (s) provided as part of this SISF;
- (iii) Identification of Bidder. It contains the legal name and identity (including jurisdiction of existence) and contact information of the bidder, full disclosure of its direct and indirect principals, the name(s) of its sponsors and controlling equityholder(s) and disclosure of any connections, agreements or other arrangements with the Debtors or any of their affiliates, or any known, potential or prospective bidder, or any officer, manager, director, or known equity security holder of the Debtors or any creditors, customers or debt holders of the Debtors;
- (iv) No Contingencies. It is not conditional on obtaining financing, any board of director or similar governing body or equity holder approval or on the outcome or review of due diligence;
- (v) Required Approvals. It specifies any government, regulatory or other third-party approvals required to complete the transaction, including but not limited to competition, foreign investment and national security interest approvals, with the anticipated strategy, timeframe and potential impediments for obtaining such approvals set forth in detail, such that the CRO, in consultation with the

Transaction Advisor and the Monitor, can assess the risk to closing associated with any such conditions or approvals;

- (vi) Other Information. It contains such other information reasonably requested by the CRO, ~~the Debtors,~~ in consultation with the Transaction Advisor ~~or~~ and the Monitor;
- (vii) Irrevocable. It includes a letter stating that the bid is irrevocable until the selection of the Successful Bid and, if such bid is selected as the Successful Bid or as the next-highest or otherwise best Qualified Bid as compared to the Successful Bid (such bid, the “**Back-Up Bid**”), it shall remain irrevocable until the closing of the Successful Bid or the termination of the SISP (whichever occurs first);
- (viii) Proof of Financial Ability to Perform. It provides written evidence of a bidder’s ability to (a) fund and consummate the transaction and satisfy its obligations under the transaction documents, on terms set by the CRO, in consultation with the Transaction Advisor, the Monitor and the DIP Lender including the sources of financing and binding equity/debt commitment letters and/or guarantees covering the full value of all consideration payable, and (b) fund the working capital requirements of the business for a period of not less than 24 months following closing;
- (ix) Operating and Business Plan. It includes a summary of the bidder’s proposed operating and business plan for the Mary River Mine (the “**Mine**”), including (a) the proposed production plan and anticipated throughput capacity, (b) anticipated capital expenditure requirements for any proposed expansion or alternative operational plan, and (c) the anticipated financing or resources to execute such plan. For the avoidance of doubt, the foregoing is not limited to the expansion of a railway from the Mine south to the Steensby Inlet (the “**Steensby Expansion**”) and bidders may propose any alternative operating plan they consider achievable and commercially viable;
- (ix) No Break Fee, Expense Reimbursement. It does not include any request for or entitlement to any break fee, expense reimbursement or similar type of payment;
- (x) Qikiqtani Inuit Association (“**QIA**”) and Nunavut Tunngavik Inc (“**NTI**”). It treats the amended and restated Inuit Impact and Benefit Agreement dated October 22, 2018 between the Qikiqtani Inuit Association and Baffinland Iron Mines Corporation and the Commercial Lease for Inuit Owned Lands No. Q13C301 and their associated embedded agreements as unaffected;
- (xi) Acknowledgments and Representations. It includes an acknowledgment and representation that, except to the extent set forth in a written agreement as between the bidder and the Debtors, the bidder (a) has had an opportunity to conduct any and all required due diligence prior to making its bid, (b) is not relying upon any written or oral statements, representations, promises, warranties, conditions, or guaranties whatsoever whether express or implied (by operation of law or otherwise), made by any person or party, including the Debtors, the CRO, the Transaction Advisor or the Monitor, or any of their respective employees, officers, directors, agents, advisors and other representatives, regarding the transaction that is the subject of the bid, this

SISP, or any information provided in connection therewith, (c) agrees that the transaction that is the subject of the bid shall be on an “as is, where is” basis and without surviving representations, warranties, covenants or indemnities of any kind, nature or description by the Debtors, the CRO, the Transaction Advisor or the Monitor, or their respective employees, officers, directors, agents, advisors and other representatives, except to the extent set forth in a written agreement as between the bidder and the Debtors, (d) agrees its bid shall serve as Back-Up Bid, if its bid is selected as the next-highest or otherwise best Qualified Bid as compared to the Successful Bid, (e) has not engaged in any collusion with respect to the submission of its bid, and (f) agrees to be bound by the terms of the SISF;

- (xii) Costs and Expenses. It contains a statement that the bidder will bear its own costs and expenses (including legal and advisor fees) and the costs of obtaining any regulatory approvals in connection with the proposed transaction and by submitting its bid is agreeing to refrain from and waive any assertion or request for reimbursement on any basis;
- (xiii) Treatment of Employees, Contracts, Etc. It provides a description of the bidder’s intentions for the Mine, including as it relates to Steensby Expansion, the engagement of employees both at the Mine and head office, contractors, customers, contracts [\(including offtake, fuel, royalty and other commercial agreements\)](#) and vendors under the proposed bid;
- (xiv) Deposit. It is accompanied by a cash deposit (the “**Deposit**”) of **[5%]** of the total consideration payable contemplated by such bid, which shall be paid to the Monitor by wire transfer (to a bank account specified by the Monitor) and held in trust by the Monitor in accordance with this SISF (for the avoidance of doubt, a Deposit shall be required with respect to that is **[5%]** of the cash component of any credit bid pursuant to Section 18); and
- (xv) Deadline. It is received by the Qualified Bid Deadline (as may be extended in accordance with Section 5 above).

- 7. ~~The Debtors, in consultation with~~ the CRO, in consultation with the Monitor and the Transaction Advisor may waive compliance with any one or more of the requirements specified in Section 6 above and deem a non-compliant bid to be a Qualified Bid, provided that ~~the Debtors~~ CRO may not waive compliance with Section 6(x);
- 8. Following the Qualified Bid Deadline, the ~~Debtors may, in consultation with the~~ CRO, in consultation with the Monitor and the Transaction Advisor, may determine to (i) continue negotiations with one or more bidders that have submitted Qualified Bids, to the exclusion of others, with a view to selecting one or more non-overlapping Qualified Bids or credit bid as the successful bid(s) (the “**Successful Bid(s)**”) or Back-Up Bid, taking into account the overall value of each such bid in the judgment of ~~the Debtors after consultation with~~ the CRO, in consultation with the Transaction Advisor and the Monitor, and applicable conditions to completion, among other factors, (ii) proceed with an auction to determine the Successful Bid(s) or Back-Up Bid, which auction shall be administered in accordance with auction procedures to be determined by the CRO ~~and the Transaction Advisor~~, in consultation with the Monitor and the Transaction Advisor, and provided to all bidders that have submitted a Qualified Bid at least two business days prior to the auction, and (iii) take such steps as are necessary to finalize

and consummate the Successful Bid(s). The ~~Debtors-CRO~~ has no obligation to conclude a sale or other transaction arising out of this SISF and the ~~CRO-Debtors~~, in consultation with the CRO-Monitor and the Transaction Advisor, reserves the right to reject any bid (including any Qualified Bid) or to terminate the SISF, in each case with the consent of the Monitor and the DIP Lender.

9. Following selection of a Successful Bid, if applicable, the ~~Debtors-CRO~~, in consultation with the CRO-Monitor, with the assistance of the Transaction Advisor and other advisors, as needed, shall seek to finalize any necessary definitive agreement(s) with respect to the Successful Bid(s) or Back-Up Bid(s). Once the necessary definitive agreement(s) with respect to a Successful Bid have been finalized, the CRO may cause the Debtors may-to apply to the Court for an order approving such Successful Bid and authorizing the Debtors or the CRO, as appropriate, to (i) enter into any and all necessary agreements and related documentation with respect to the Successful Bid, (ii) undertake such other actions as may be necessary to give effect to such Successful Bid, and (iii) implement the transaction(s) contemplated in such Successful Bid (a "**Transaction Approval Order**"). If the Successful Bid is not consummated in accordance with its terms, the ~~Debtors, in consultation with the~~ CRO, shall be authorized, but not required, in consultation with the Transaction Advisor, and with the consent of the Monitor, to designate the Back-Up Bid (if any) as the Successful Bid and seek a Transaction Approval Order with respect thereto.
10. All Deposits shall be retained by the Monitor in an interest-bearing trust account. If a Successful Bid is selected and a Transaction Approval Order is granted in connection therewith, any Deposit paid in connection with such Successful Bid will be non-refundable and shall, upon closing of the transaction contemplated by such Successful Bid, be applied to the purchase price to be paid in connection with such Successful Bid or be dealt with as otherwise set out in the definitive agreement(s) entered into in connection with such Successful Bid. Any Deposit (with interest earned, if any) delivered with a Qualified Bid that is not selected as a Successful Bid or Back-Up Bid, will be returned to the applicable bidder within ten business days of the date upon which the Successful Bid is approved pursuant to a Transaction Approval Order or such earlier date as may be determined by the CRO, in consultation with the Monitor and the Transaction Advisor. The Deposit in respect of the Back-Up Bid (if any) shall be returned to the applicable bidder within ten business days after the closing of the Successful Bid or such earlier date as may be determined by the CRO, in consultation with the Monitor and the Transaction Advisor. If a bidder breaches its obligations under the terms of the SISF or the definitive transaction document(s), its Deposit (if any) shall be forfeited as liquidated damages and not as a penalty, without limiting any other claims or actions that the Debtors may have against such bidder and/or its affiliates, including as set out in the definitive agreement(s).
11. At any time after a prospective bidder executes an NDA, the ~~Transaction Advisor and~~ the CRO, in consultation with the Monitor, shall be authorized, but not required, to permit certain parties to attend site visits. In determining whether to permit a party to attend a site visit, the CRO, in consultation with the Monitor and the Transaction Advisor shall consider various factors, including: (i) the identity of the party and the prospect of it submitting a Qualified Bid, (ii) the costs associated with the site visit, (iii) whether the party has attended a site visit previously, (iv) the number of parties that have attended site visits or are seeking to attend site visits, (v) the nature of the site visit, and (vi) whether the site visit is reasonably expected to materially increase the likelihood of the culmination of a Successful Bid. Site visits shall be made available

to parties identified by the CRO in accordance with this Section on or prior to September 30, 2026, provided that parties may visit site after such date as circumstances allow and the CRO ~~and Transaction Advisor~~, in consultation with the Monitor and the Transaction Advisor, deems appropriate.

12. The CRO ~~and the Transaction Advisor~~, in consultation with the Debtors where appropriate and with the consent of the Monitor, reserve the right to limit access to any confidential information (including any information in any VDR) where, in the opinion of the CRO, in consultation with the Monitor and the Transaction Advisor, such access could negatively impact the SISF, the ability to maintain the confidentiality of the Debtors' confidential or competitive information, the Debtors' shares, assets and/or business. For the avoidance of doubt, selected due diligence information may be withheld from any party that has executed an NDA if the CRO ~~and the Transaction Advisor~~ and with the consent of the Monitor, determines such information represents proprietary or sensitive competitive information.
13. The Monitor, the CRO and the Transaction Advisor, and their advisors and representatives, make no representation or warranty as to the accuracy or completeness of the information contained in any VDR, or any other information provided throughout the due diligence process.
14. Subject to the terms hereof, and other than as shall be required in connection with the Transaction Approval Order, neither the Debtors, the CRO, the Monitor nor the Transaction Advisor will share (i) the identity of any bidder or potential bidder, or (ii) the terms of any LOIs, Qualified Bids, Successful Bids and/or Back-Up Bid, with any other bidder or potential bidder without the express written consent of such party (which consent may be given by way of e-mail).
15. The CRO, and the Monitor, with the assistance of the Transaction Advisor, and Transaction Advisor will update the Debtors' stakeholders and consult with them, as appropriate, in respect of the SISF, provided that such updates will ~~not cease to~~ be provided to any party ~~unless it is that does not provide confirmation to the Monitor and CRO that it is~~ a Non-Participating Party (as defined below). All such updates or consultation and any information and documents provided in connection therewith are provided ~~to Non-Participating Parties~~ on a strictly confidential basis; provided, however, that Export Development Canada may share such information with Government of Canada representatives, and other parties may share such information as permitted by the terms of their confidentiality agreements with the Company.
16. A party shall, no later than five days after the granting of order approving the SISF, deliver irrevocable written confirmation to the CRO and the Monitor, ~~with such modifications as the CRO and Monitor consider appropriate in their sole and reasonable discretion, certifying confirming~~ that neither it, its affiliates nor any funds managed by it or its affiliates will participate in the SISF, directly or indirectly, in any capacity (including in a personal capacity), including as: (i) a bidder or prospective bidder; (ii) a direct or indirect shareholder, unitholder, equity holder, holder of a participating interest, director, or officer of a bidder or prospective bidder; (iii) a lender, provider, or arranger of financing or other financial accommodation to or for the benefit of a bidder or prospective bidder; (iv) a partner, co-investor, consultant, or other person acting in concert with a bidder or prospective bidder; or (v) an affiliate, agent, or representative of any of the persons described in paragraphs (i) through (iv) or confirmation of non-participation in the SISF in such other form and scope as the CRO

and Monitor consider appropriate in their sole and reasonable discretion (such parties delivering such confirmation together with their advisors, the “**Non-Participating Parties**” and each a “**Non-Participating Party**”), except as permitted by Section ~~498~~. Notwithstanding this Section 16 a party that has submitted an LOI may become a Non-Participating Party if it delivers irrevocable written confirmation to the CRO and the Monitor that it is withdrawing as a bidder in the SISP and will no longer participate as a bidder in any capacity.

17. Any party (other than the Non-Participating Parties) holding a valid and enforceable, and properly perfected security interest in the assets or shares may, subject in all respects to such party’s compliance with the SISP and the terms hereof, credit bid the amount of debt secured by such lien as part of any transaction contemplated by the SISP; provided that such transaction shall also provide for the indefeasible and irrevocable repayment in full in cash on the date of closing of any transaction of any and all obligations secured by a security interest in the assets or shares that are to be acquired under such transaction that is senior to or *pari passu* with the security interest held in such assets or shares by the party submitting such credit bid (including the Charges, if applicable) unless the holder or indenture trustee or agent of any such security interest, as applicable, otherwise agrees. For certainty, a credit bid shall provide written evidence acceptable to the ~~CRO~~~~Debtors~~, in consultation with ~~the CRO~~, the Monitor and the Transaction Advisor of all required funding or financing to advance the cash consideration necessary to satisfy such priority payments in full in cash or otherwise assume such obligations in full, and that any such credit bid shall not be conditional upon obtaining financing. To the extent there is any dispute raised regarding the priority or quantum of a secured claim that is the subject of a credit bid, such matter shall be promptly resolved by determination from the Court. Non-Participating Parties may credit bid only in accordance with Section ~~498~~. For the avoidance of doubt, a secured lender and/or noteholder submitting a credit bid pursuant to this Section ~~1748~~ shall be required to comply with all applicable requirements of this SISP, including without limitation Section 6(x).
18. Notwithstanding any other terms hereof, if, following the Qualified Bid Deadline, no Qualified Bid (or combination of Qualified Bids) received would, if consummated, result in the indefeasible and irrevocable repayment in full in cash of all of the secured debt obligations held by each of the secured lenders and/or noteholders to the Debtors (or otherwise provide for the assumption or satisfaction in full of such secured debt obligations on terms acceptable to each such secured lender and/or noteholder), any such secured lender and/or noteholder (or agent at the direction of the requisite secured lenders and/or noteholders, as applicable) shall, notwithstanding its delivery of the irrevocable written confirmation referred to in Section 15, be entitled to submit a credit bid in respect of its secured obligations in accordance with Section ~~17 48~~ (and subject to all of the requirements set forth therein, including the obligation to repay in full all senior-ranking or *pari passu* ranking obligations). Such secured lender and/or noteholder must deliver a written notice to the CRO of its intention to submit a credit bid within 15 days following the Qualified Bid Deadline and may only submit a credit bid in an amount equal to its secured obligations plus an amount to repay in full and discharge all senior and pari passu-ranking obligations. Following delivery of such notice of intention, such secured lender and/or noteholder must submit its credit bid within 45 days, subject to extension by the ~~CRO~~~~Debtors~~, in consultation with the ~~CRO~~ Transaction Advisor and with the consent of the Monitor and the DIP Lender (provided that, the DIP Lender shall only have a consent right if the DIP Lender has irrevocably confirmed in writing that it will not submit a credit bid) if the credit bidding party demonstrates it is diligently pursuing completion of the credit bid. For the avoidance

of doubt, a secured lender and/or noteholder submitting a credit bid pursuant to this Section ~~1819~~ shall be required to comply with all applicable requirements of this SISP, including without limitation Section 6(x) and the deposit requirements set forth in Section 6(xiv), and its credit bid shall be evaluated by the ~~Debtors, in consultation with the CRO,~~ in consultation with the Monitor and the Transaction Advisor, on the same basis as any other Qualified Bid. Such credit bid may be conditional on obtaining any government, regulatory or third-party approvals required to consummate the transaction, provided that the credit bid specifies a long-stop period within which such approvals must be obtained.

19. With the consent of the DIP Lender, the CRO may at any time and from time to time, on notice to the service list maintained on the Monitor's website, modify, amend, vary or supplement the SISP without the need for obtaining an order of the Court, provided that the Monitor, in consultation with the CRO and the Transaction Advisor, determines that such modification, amendment, variation or supplement is not material to the SISP or will better promote the purpose of the SISP and maximization of the value of the Debtors' assets or shares; provided that any proposed material modification, amendment, variation or supplement (including any dispute regarding materiality raised by a party in interest after notice of any proposed modification, amendment, variation or supplement) shall require an order of the Court. Notwithstanding the foregoing, the requirements set forth in Section 6(x) may not be modified, amended, varied or supplemented without the consent of QIA.
20. All discussions regarding the SISP, a bid, an LOI or Qualified Bid must be directed through the CRO, the Transaction Advisor or the Monitor. Under no circumstances shall any bidder communicate or contact in connection with their proposed bid, directly or indirectly, whether or not initiated by the bidder, with any other party or persons that they know to be (i) a bidder in the SISP, (ii) the management of the Debtors, (iii) the Debtors' creditors or shareholders, (iv) QIA, (v) NTI, (vi) any stakeholder of the Debtors, or (vii) any regulators or governmental authority having oversight in respect of the Debtors or their permits, in each case without the prior written consent of the CRO, in consultation with the Monitor and the Transaction Advisor. For the avoidance of doubt, no bidder shall engage in any collusion or without the prior written consent of the CRO, in consultation with the Monitor and Transaction Advisor, be acting jointly or in concert with any other bidder or person regarding the SISP. Any such unauthorized contact or communication could result in exclusion of the interested party from the SISP. Where the prior consent of the CRO is given to allow a bidder to contact any of the foregoing parties to discuss its proposed bid, the CRO shall inform the Monitor of the granting of such consent.
21. The SISP does not, and will not be interpreted to create any contractual or other legal relationship between any of the Debtors, the Monitor, the CRO, or the Transaction Advisor and any bidder or any other party, other than as specifically set forth in a definitive agreement executed in connection with the SISP.
22. The Debtors, the CRO, the Transaction Advisor and the Monitor shall not have any liability whatsoever to any person or entity, including any bidder or any other creditor or stakeholder, as a result of implementation or otherwise in connection with this SISP (including in relation to any site visits conducted pursuant to Section 11), except to the extent that any such liabilities result from gross negligence or wilful misconduct of the Debtors, the CRO, the Transaction Advisor or the Monitor, as applicable, as determined by a final order of the Court. Further, no person or entity, including any bidder or any other creditor or stakeholder shall have any claim against the Debtors,

the CRO, the Transaction Advisor or the Monitor in respect of the SISP for any reason whatsoever, except to the extent that such claim is the result of gross negligence or wilful misconduct by the Debtors, the CRO, the Transaction Advisor or the Monitor, as applicable, as determined by a final order of the Court.

23. For certainty and notwithstanding the generality of Section 6(xii), participants in the SISP are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any bid, due diligence activities, and any other negotiations or other action whether or not they lead to the consummation of a transaction.
20. For the avoidance of doubt, the approvals required pursuant to the terms hereof are in addition to, and not in substitution for, any other approvals required by the CCAA or any other statute or as otherwise required at law in order to implement a Successful Bid.
24. All bidders shall be deemed to have attorned to the jurisdiction of the Court in connection with any disputes relating to the SISP, including the qualification of bids, the construction and enforcement of the SISP, and closing, as applicable. In the event that there is disagreement as to the interpretation or application of this SISP, the Court will have the jurisdiction to hear and resolve such dispute.

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Appendix E

October Forecast

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

Attention: Mr. Jeffrey Rosenberg

October 2, 2026

Dear Sir:

Re:Nunavut Iron Ore, Inc., Baffinland Iron Mines Corporation and 12334992 Canada Inc. (collectively the "Applicants") - CCAA section 10(2) Prescribed Representations with Respect to the Cash Flow Forecast.

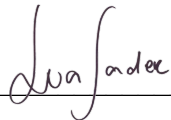
In connection with the application by the Applicants for the continuation of proceedings under the *Companies' Creditors Arrangement Act*, the management of the Applicants has prepared the attached 17-week projected cash flow statement for the period August 15, 2026 to December 11, 2026 (the "**October Forecast**") and the list of assumptions on which the October Forecast is based. The purpose of the October Forecast is to determine the liquidity requirements of the Applicants during the CCAA proceedings.

The Applicants confirm that the hypothetical assumptions on which the October Forecast is based are reasonable and consistent with the purpose described herein, and the probable assumptions are suitably supported and consistent with the plans of the Applicants and provide a reasonable basis for the projections. All such assumptions are disclosed in notes to the October Forecast (the "**Notes**").

Since the projections are based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The projections have been prepared solely for the purpose described herein, using the probable and hypothetical assumptions set out in the Notes. Consequently, readers are cautioned that the October Forecast may not be appropriate for other purposes.

Yours truly,

Per: _____

Name: Celeste Van Tonder
Title: CFO

Nunavut Iron Ore, Inc., Baffinland Iron Mines Corporation and 12334992 Canada Inc. (collectively, the "Company") Illustrative Consolidated Cash Flow Projections																			
<i>(\$USD in millions)</i>		<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>
Forecast Week Ending	Note	Aug 21	Aug 28	Sep 4	Sep 11	Sep 18	Sep 25	Oct 2	Oct 9	Oct 16	Oct 23	Oct 30	Nov 6	Nov 13	Nov 20	Nov 27	Dec 4	Dec 11	Total
Forecast Week	[1]	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
Receipts																			
Total Receipts		2.1	7.1	5.4	8.5	6.0	1.5	(0.2)	10.8	7.8	1.0	2.6	40.0	2.5	14.4	2.8	0.6	14.0	126.8
Total Commercial Payments		(2.5)	(7.4)	(7.4)	(4.7)	(1.9)	(3.0)	(2.6)	(4.2)	1.6	0.2	0.7	0.6	0.6	0.6	0.9	0.3	0.3	(28.0)
Net Commercial Receipts	[2]	(0.4)	(0.3)	(2.0)	3.8	4.1	(1.5)	(2.8)	6.6	9.5	1.2	3.3	40.6	3.1	15.0	3.7	0.9	14.3	98.9
Operating Disbursements																			
Labour	[3]	(3.8)	-	(6.0)	-	(5.9)	-	(5.8)	-	(5.8)	-	(5.5)	-	(5.5)	-	(5.5)	-	(3.3)	(47.0)
Vendor Payments	[4]	(3.1)	(3.1)	(5.9)	(3.2)	(3.2)	(3.2)	(5.5)	(2.3)	(2.3)	(2.3)	(2.3)	(3.1)	(2.5)	(2.5)	(2.5)	(2.8)	(2.2)	(52.1)
Sealift Purchases	[5]	(4.2)	(3.5)	(4.1)	(14.1)	-	3.9	(1.3)	-	-	-	4.3	-	1.4	-	-	-	-	(17.6)
Equipment Leases		-	-	(0.2)	-	-	-	(0.6)	-	-	-	-	(0.2)	-	-	-	(0.2)	-	(1.3)
Sustaining Capital Costs	[6]	(2.5)	(2.5)	(1.2)	(1.2)	(1.2)	(1.2)	(1.2)	(1.2)	(1.2)	(1.2)	(1.2)	(1.2)	(1.2)	(1.2)	(1.2)	(1.2)	(0.6)	(22.7)
Total Operating & Sustaining Capital Costs		(13.5)	(9.1)	(17.3)	(18.6)	(10.4)	(0.6)	(14.5)	(3.5)	(9.3)	(3.5)	(4.7)	(4.6)	(7.8)	(3.7)	(9.2)	(4.3)	(6.1)	(140.7)
Overhead Costs	[7]	(0.6)	(0.6)	(1.1)	(0.6)	(0.6)	(0.6)	(1.1)	(0.6)	(0.6)	(0.6)	(1.7)	(0.8)	(0.6)	(0.6)	(0.6)	(1.1)	(0.6)	(13.1)
Exploration Costs	[8]	(0.4)	(0.5)	(0.9)	(0.3)	(0.1)	(0.1)	(0.1)	(0.2)	(0.1)	-	-	-	-	-	-	-	-	(2.7)
Steensby Project Costs	[9]	(1.1)	(1.1)	(0.5)	(0.5)	(0.5)	(0.5)	(0.4)	(0.4)	(0.4)	-	-	-	-	-	-	-	-	(5.2)
Steensby LC		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7.6)	(7.6)
Other Costs	[10]	-	-	(1.6)	-	-	-	(3.9)	-	-	-	(3.0)	-	-	-	(2.5)	-	-	(11.0)
Professional Fees (CCAA)	[11]	(2.1)	(1.4)	(0.8)	(0.7)	(0.7)	(1.3)	(1.0)	(0.6)	(0.6)	(0.6)	(1.2)	(0.7)	(0.6)	(0.6)	(1.2)	(0.8)	(7.5)	(22.2)
Net Cash Flow		(18.2)	(13.0)	(24.2)	(16.8)	(8.1)	(4.6)	(23.7)	1.2	(1.6)	(3.5)	(7.3)	34.5	(5.8)	10.1	(9.7)	(5.3)	(7.6)	(103.6)
Cash																			
Beginning Balance (excl. Restricted Cash)		45.2	27.0	44.2	20.0	28.1	20.0	43.7	20.0	21.6	20.0	27.3	20.0	54.5	48.7	58.8	49.1	43.8	45.2
Net Cash Flow		(18.2)	(13.0)	(24.2)	(16.8)	(8.1)	(4.6)	(23.7)	1.2	(1.6)	(3.5)	(7.3)	34.5	(5.8)	10.1	(9.7)	(5.3)	(7.6)	(103.6)
Debt Advances (Repayments)		-	30.2	-	24.9	-	28.3	-	0.3	-	10.9	-	-	-	-	-	-	-	94.6
Ending Balance		27.0	44.2	20.0	28.1	20.0	43.7	20.0	21.6	20.0	27.3	20.0	54.5	48.7	58.8	49.1	43.8	36.3	36.3
DIP Financing Balance																			
Beginning Balance		181.8	182.2	212.6	212.9	238.0	238.3	266.8	267.0	267.5	267.7	278.8	279.0	279.2	279.3	279.5	279.7	279.9	181.8
Debt Advances (Repayments)		-	30.2	-	24.9	-	28.3	-	0.3	-	10.9	-	-	-	-	-	-	-	94.6
Add: Accrued Fees		0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	3.6
Ending Balance		182.2	212.6	212.9	238.0	238.3	266.8	267.0	267.5	267.7	278.8	279.0	279.2	279.3	279.5	279.7	279.9	280.1	280.1

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 17-week period August 15, 2026 to December 11, 2026 (the "**Forecast Period**").
- [2] Receipts:** Forecast includes collections under the offtake agreement for the 2026 and 2027 shipping seasons. Offtake 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 include freight costs and other shipping related fees associated with delivering sales as well as reimbursements for certain refundable fees.
- [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, royalty payments and other operating costs required to facilitate continued mine operations. Included in these payments are payments for pre-filing payables to critical vendors. Pursuant to section 14 of the DIP Credit Agreement, the approved cash flow shall include provision for "royalty payments under each of the Royalty Agreements when due and payable; provided such Royalty Agreement is properly registered on title, and the Monitor's counsel is of the view that the royalty granted under such Royalty Agreement is a valid royalty at law and runs with the land". A shareholder has written to the Monitor regarding the status of the Monitor's views on Royalty Agreement and creditors have expressed concern to the Monitor that the consideration paid for the royalty was less than fair value. The Monitor and its counsel are currently reviewing matters related to the Royalty Agreements and will report further on the shareholder royalty payments in a subsequent report. The royalty payments will be distributed to the Monitor to be held in escrow pending the Monitor's review and any court order, if required.
- [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, insurance payments and current land lease payments to the Qikiqtani Inuit Association (QIA) in accordance with the Inuit Impact and Benefit Agreement.
- [8] Exploration:** Exploration costs required for location identification, core drilling and sampling, and quantity and quality assessments of deposits necessary to preserve the assets and Authorizations of the Company. Included in these costs in Week 3 and Week 8 are \$740,000 of drilling costs which have not been spent and will not be spent as this spend is not approved by the DIP Lender.
- [9] Steensby Project Costs:** Costs to complete work in progress on the Steensby project, as well as costs to issue an LC required for permitting purposes, deemed necessary to preserve the assets and Authorizations of the Company, including preserving existing assets and Authorizations that are strictly necessary for Steensby expansion.
- [10] Other Costs:** DIP Facility interest and financing costs, and costs to support operating LC issuance.
- [11] Professional Fees (CCAA):** Professional fees for the Monitor, its counsel, the Company's counsel, the CRO, and the Transaction Advisor, to administer the CCAA Proceedings and SISP; The fees for the DIP Lender's legal and financial advisors, and the Senior Secured Lender's legal and financial advisors are also included in accordance with the DIP settlement agreement.

Appendix F

DIP Lender Letter dated September 30, 2026

September 30, 2026

Norton Rose Fulbright Canada LLP
222 Bay Street, Suite 3000, P.O. Box 53
Toronto, Ontario M5K 1E7 Canada

BY EMAIL

**Baffinland Iron Mines Corporation, Baffinland Iron
Mines LP, Nunavut Iron Ore, Inc. And 12334992 Canada
Inc.**

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

F: +1 416.216.3930

nortonrosefulbright.com

Evan Cobb
+1 416.216.1929
evan.cobb@nortonrosefulbright.com

Attention: Mark O'Brien and William Aziz

Our reference: 1001370871

Dear Mr. O'Brien and Mr. Aziz:

Re: DIP Facility Loan Agreement, dated as of June 3, 2026, between Baffinland Iron Mines Corporation, Baffinland Iron Mines LP, Nunavut Iron Ore, Inc. and 12334992 Canada Inc., and His Majesty In Right Of Canada, as represented by Export Development Canada (as amended the "DIP Facility Agreement")

And Re: Second Amendment and Waiver to DIP Facility Loan Agreement dated as of August 27, 2026 (the "Second Amendment")

We write to you on behalf of His Majesty In Right Of Canada, as represented by Export Development Canada (the "**DIP Lender**"), in connection with the DIP Facility Agreement and the Second Amendment. Capitalized terms used in this letter and not otherwise defined herein shall have the meanings specified in the DIP Facility Agreement and the Second Amendment.

Certain Events of Default under the DIP Facility Agreement and the Second Amendment have occurred and continue to exist, including:

1. A failure to meet the Revised Milestones as set out in the Second Amendment; and
2. The seeking of a Court order approving a sale and investment solicitation process in the CCAA Proceedings, in the form enclosed in the Motion Record dated September 17, 2026, which Court order is not in form and substance acceptable to the DIP Lender acting reasonably

(collectively, the "**Existing Defaults**").

This letter shall serve to advise you that:

- (i) The DIP Lender has not waived the Existing Defaults.
- (ii) Any Advance to the Borrowers or any delay in the exercise any rights, remedies, powers and privileges by the DIP Lender under the DIP Facility Agreement with respect to the Existing Defaults or any other Event of Default (whether now existing or hereafter occurring) shall not be, and shall not be construed as, a waiver thereof.
- (iii) All provisions of the DIP Facility Agreement remain in full force and effect.

The Affidavit of Ashley Glen, sworn September 21, 2026, encloses a SISP document that is in form and substance acceptable to the DIP Lender (the “**Acceptable SISP**”). If a Court order approving that Acceptable SISP is granted in form and substance reasonably satisfactory to the DIP Lender on or prior to October 13, 2026, the DIP Lender will consider any waivers or amendments that may be required in connection with the Existing Defaults and the DIP Facility Agreement to accommodate that SISP, in its sole discretion.

The DIP Lender has determined that the Existing Defaults will not cause the DIP Lender to cease making Advances under the DIP Facility Agreement up to and including October 9, 2026. If the Acceptable SISP is not approved on or prior to October 13, 2026, the DIP Lender can provide no assurance that further Advances will be available, and all available rights and remedies of the DIP Lender will need to be considered.

This letter is written under reserve of, and without prejudice to, all of the rights, remedies and recourses of the DIP Lender under the DIP Facility Agreement and any Court order. The DIP Lender reserves its right to fully invoke any and all of its rights, remedies, powers or privileges under the DIP Facility Agreement, any Court order, or applicable laws in respect of the Existing Defaults or any other Event of Default that may now or hereafter exist.

Yours truly,

EXPORT DEVELOPMENT CANADA, as lender, by
its counsel Norton Rose Fulbright Canada LLP

Per: 

Name: Evan Cobb
Title: Partner

cc. *Natalie Renner and Rob Nicholls, Davies Ward Phillips & Vineberg LLP*

Greg Watson and Jeffrey Rosenberg, FTI Consulting Canada Inc.

Marc Wasserman and Michael De Lellis, Osler Hoskin & Harcourt LLP

Appendix G

Debtors' Letter dated October 2, 2026

October 2, 2026

BY EMAIL

Norton Rose Fulbright LLP
222 Bay Street, Suite 3000
P.O. Box 53
Toronto ON M5K 1E7
evan.cobb@nortonrosefulbright.com

Attention: Evan Cobb

Dear Evan:

Re: DIP Facility Loan Agreement, dated as of June 3, 2026, between Baffinland Iron Mines Corporation, Baffinland Iron Mines LP, Nunavut Iron Ore, Inc. and 12334992 Canada Inc., and His Majesty In Right Of Canada, as represented by Export Development Canada (as amended the "DIP Facility Agreement")

And Re: Second Amendment and Waiver to DIP Facility Loan Agreement dated as of August 27, 2026 (the "Second Amendment")

I write in response to your letter dated September 30, 2026, which purports to give notice of alleged Events of Default under the DIP Facility Agreement. Capitalized terms not otherwise defined have the meanings given in the Affidavit of Jowdat Waheed dated September 17, 2026 or the DIP Facility Agreement, as amended, as applicable.

The Debtors do not accept that any Event of Default has occurred. The Debtors have worked diligently with stakeholders, including the DIP Lender, to reach consensus on the SISP. The SISP is a purely procedural document. It sets out how the Debtors will seek proposals from interested parties, with the help of the CRO, the Transaction Advisor and the Monitor and under their supervision. After extensive consultation, and well within the time required by the DIP Facility and the Revised Milestones, the Debtors presented a reasonable and customary SISP to the DIP Lender for approval.

Only one meaningful issue remains. The Operating Committee, as would be expected, has decision-making authority over the SISP. That is their role. The DIP Lender proposes, in effect, to transfer that authority to the CRO. The Court will decide this dispute on October 9, 2026 when it considers the SISP.

The alleged Events of Default have arisen through no fault of the Debtors. As you are well aware, the delay is partly due to positions taken by the Qikiqtani Inuit Association ("**QIA**") and Nunavut Tunngavik Incorporated ("**NTI**") against both the Debtors and the DIP Lender. The Debtors have been working diligently to resolve those positions. The delay is also due in part to the DIP Lender's refusal to agree to the Debtors' proposed form of SISP. In the circumstances, that refusal is unreasonable and breaches the DIP Facility Agreement. The DIP Lender's consent right is qualified, and it is using that right to try to impose extraordinary governance changes indirectly. That is not proper. The DIP Lender cannot rely on its own breach to assert Events of Default. This position is also hard to reconcile when a Court hearing is scheduled to consider these issues within days.

The DIP Lender's position is also hard to reconcile with the protections it already has. Under paragraph 26(k) of the DIP Facility Agreement, it already has a consent right over any disposition of the Debtors' assets. The Debtors' proposed SISP also requires the CRO to make recommendations to the Debtors on key decisions. The DIP Lender is therefore already protected against any transaction it considers contrary to its interests.

There is no proper basis for asserting Events of Default. The Debtors expressly reserve all of their rights and remedies if the DIP Lender acts on alleged Events of Default arising from its own conduct.

The Debtors are deeply concerned that the DIP Lender, an agency of the federal government, is threatening the viability of the Debtors' operations and this CCAA proceeding over a procedural document. Your letter states that unless the DIP Lender's SISP is approved by October 13, 2026, it can give no assurance of further DIP advances. In effect, the DIP Lender is threatening to cut off funding before the Court has ruled on whether its conduct is reasonable. That is fundamentally inconsistent with the Debtors' reasonable expectations in choosing the DIP Facility over other interim financing options. It also aims to strong-arm the Court and its discretion to control the overall CCAA process by threatening to pull DIP funding if its desired SISP Order is not granted in a situation where the DIP Lender's interest are fully protected.

The consequences of not funding would be severe. In seeking approval of the DIP Facility, the Debtors told the Court that the "most effective message to bring stability and confidence is that the Debtors and EDC, representing the Government of Canada have reached an agreement ensuring the Mine's operations in 2026, 2027 and beyond".¹ Your letter are at odds with this stated stability and put at risk Nunavut's largest private-sector employer, approximately 1,200 jobs (about 300 held by Inuit workers) and a project that accounts for approximately 24% to 25% of the territory's GDP. It also threatens to undermine the Debtors' progress with QIA and NTI on the SISP and the supply relationships stabilized during the CCAA proceeding.

¹ Affidavit of Celeste van Tonder dated June 7, 2026, para. 24.

DAVIES

Yours very truly,

A handwritten signature in blue ink, consisting of a series of loops and a long horizontal stroke extending to the right.

Natalie Renner

cc Derek Ricci and Steve Cutler, *Davies Ward Phillips & Vineberg LLP*
Greg Watson and Jeffrey Rosenberg, *FTI Consulting Canada Inc.*
Marc Wasserman, Michael De Lellis and Jeremy Dacks, *Osler Hoskin & Harcourt LLP*

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
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

FIFTH REPORT OF THE MONITOR

OSLER, HOSKIN & HARCOURT LLP

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Lawyers for the Monitor, FTI Consulting Canada Inc.