

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

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

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

Applicants

**JOINT CROSS-MOTION RECORD
(DIP Financing)
(Returnable June 5, 2026)**

June 4, 2026

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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.

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**ONTARIO
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Applicants

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D	Exhibit "D"	Email from Ben Muller of Osler dated May 19, 2026
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TAB 1

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

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
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AND 12334992 CANADA INC.**

Applicants

**NOTICE OF JOINT CROSS-MOTION
(DIP Financing)**

Oaktree Capital Management, L.P. and Hartree Partners, LP (together, the “**First Secured Lenders**”) and the ad hoc committee of the 8.750% senior secured notes due 2026 (the “**Ad Hoc Committee**” and together with the First Secured Lenders, the “**Senior Secured Lenders**”) will make a motion to the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) on June 5, 2026 at 11:00 a.m., or as soon after that time as the Motion can be heard.

PROPOSED METHOD OF HEARING: The cross-motion is to be heard heard in person at 330 University Avenue, Toronto, Ontario in Courtroom 8-1 and by video conference via Zoom at a link to be provided by the Court.

THE CROSS-MOTION IS FOR:

1. An Order:
 - (a) adjourning the DIP Motion (as defined below) and setting a litigation schedule for the DIP Motion as set out in Schedule “A” hereto;
 - (b) if the Debtors require interim financing before the disposition of the DIP Motion, authorizing the Debtors (as defined below) to enter into the Senior Secured

Lenders' DIP (as defined below) and borrow the amounts actually required and provided for in the cash flow forecast filed by the Monitor, until the disposition of the DIP Motion and granting a charge in favour of the Senior Secured Lenders, securing the Debtors' obligations under the Senior Secured Lenders' DIP; and

- (c) if there is a dispute with respect to the appropriate interim lender pending disposition of the DIP Motion, scheduling a case conference or hearing the week of June 8, 2026 at the Court's earliest convenience to determine this issue.

THE GROUNDS FOR THE CROSS-MOTION ARE:

Background

2. On May 15, 2026, the Applicants obtained an Order (the "**Initial Order**"), under the *Companies' Creditors Arrangement Act* (the "**CCAA**"), among other things: (i) extending benefits of the protections and authorizations of the Initial Order to Baffinland Iron Mines LP (together with the Applicants, the "**Debtors**"); and (ii) appointing FTI Consulting Canada Inc. as Court-appointed Monitor (in such capacity, the "**Monitor**").

3. The Debtors' secured creditors are: (i) the First Secured Lenders with a claim in the asserted amount of \$183 million under a Credit Agreement dated May 26, 2017; (ii) the holders (the "**Senior Secured Noteholders**") of the 8.750% senior secured notes due 2026 (the "**Senior Secured Notes**") in the approximate principal amount of \$575 million; and (iii) Export Development Canada ("**EDC**") in the approximate principal amount of \$75 million. The First Secured Lenders and the Senior Secured Noteholders cumulatively hold over \$750 million of the Debtors' secured debt, representing in excess of 90% of the total secured debt; the remaining approximately 10% is held by EDC.

4. The First Secured Lenders hold first-ranking security. The Senior Secured Noteholders and EDC hold *pari passu* second-ranking security.

5. The Ad Hoc Committee represents over 70% of the Senior Secured Notes.

6. The Senior Secured Lenders have worked together to provide the Debtors with a binding and actionable signed joint commitment to provide DIP financing in connection with the DIP Solicitation Process (as defined below), including an interim bridge financing of \$110 million (the **“Bridge Facility”**).

7. At the Debtors’ application for the Initial Order, the Monitor advised the Court that the Monitor intended to immediately commence a process to solicit DIP financing proposals for the Debtors (the **“DIP Solicitation Process”**), with such DIP proposals due on May 20, 2026 (the **“DIP Solicitation Deadline”**).

8. On May 19, 2026, the DIP Solicitation Deadline was extended to May 25, 2026.

9. On May 25, 2025, the Senior Secured Lenders jointly submitted a binding and actionable signed joint commitment to provide \$300 million of DIP financing – the exact amount the Debtors requested – including the Bridge Facility.

10. On May 30, 2026, the Senior Secured Lenders submitted a revised DIP commitment to address comments received from the Debtors and the Monitor over the prior five days and accommodate the Debtors’ requests in the DIP Solicitation Process (the **“Senior Secured Lenders’ DIP”**). This DIP commitment includes no commitment or funding fee payable in respect of the Bridge Facility if it is refinanced at anytime within 60 days of the first advance.

11. On June 4, 2026 at 12:13 a.m., the Debtors served motion materials for a motion returnable on June 5, 2026 (the **“DIP Motion”**). The motion materials disclosed that the Debtors

intended to seek an Order, among other things: (i) approving the Debtors' entry into a \$475 million DIP facility funded by the Government of Canada (the "**Government DIP Facility**"); and (ii) granting a priming charge in favour of the proposed DIP lender, securing the Debtors' obligations under the Government DIP Facility.

The DIP Motion and the Requested Order

12. The Government DIP Facility and related charge do not satisfy the factors set out under Section 11.2 of the CCAA. The Debtors have not demonstrated compliance with the basic requirements of the Act. Among other things, the Debtors in their own evidence admit that the Government DIP Facility is far in excess of the amount actually "required by company, having regard to its cash-flow statement" as specified by section 11.2(1) of the CCAA.

13. The Government DIP Facility, if approved, will materially prejudice the Senior Secured Lenders by, among other things, priming the Senior Secured Lenders on effectively no notice, without providing the Senior Secured Lenders proper opportunity to respond and afford the Court an opportunity to consider a complete record before deciding *any* issue on the DIP Motion.

14. No determination on the DIP Motion can be made on the record currently before the Court.

15. In order to ensure the Debtors have access to sufficient liquidity while the Debtors' motion for approval of the Government DIP Facility is litigated on a fair schedule, and to preserve the status quo, the Senior Secured Lenders bring this cross-motion for an Order, among other things,

- (a) adjourning the DIP Motion and setting a litigation schedule for the DIP Motion as set out in Schedule "A" hereto;
- (b) if the Debtors require interim financing before the disposition of the DIP Motion, authorizing the Debtors to enter into the Senior Secured Lenders' DIP and borrow

the amounts actually required and provided for in the cash flow forecast filed by the Monitor, until the disposition of the DIP Motion and granting a charge in favour of the Senior Secured Lenders, securing the Debtors' obligations under the Senior Secured Lenders' DIP; and

- (c) if there is a dispute with respect to the appropriate interim lender pending disposition of the DIP Motion, scheduling a case conference or hearing the week of June 8, 2026 at the Court's earliest convenience to determine this issue.

16. The factors in Section 11.2 of the CCAA weigh materially in favour of approving the Senior Secured Lenders' DIP if interim financing is required at this time, including by minimizing prejudice to the Debtors' stakeholders and preserving the status quo while the issues on the DIP Motion are properly litigated on a fair schedule.

17. If any party disputes the selection of the Senior Secured Lenders as the interim lender pending disposition of the DIP Motion, the parties can address that limited issue before the Court during the week of June 8, 2026 with the benefit of a proper record. The most recent cash flow forecast filed with the Second Report of the Monitor dated June 4, 2026 confirms that the Debtors do not require interim financing on June 5, and that the Debtors require interim financing only in the amount of approximately \$103 million for the four-week period ending July 3, 2026 – well within the Bridge Facility amount committed by the Senior Secured Lenders. Notably, the intercreditor agreement among the secured creditors prohibits EDC from objecting to interim financing proposed by the First Secured Lenders up to \$40 million.

18. The Order requested by the Senior Secured Lenders is fair, reasonable, and appropriate in the circumstances, as it will ensure that the Debtors continue to have access to the financing that they may require, and that the parties' rights to a fair hearing on a complete record are preserved.

OTHER GROUNDS FOR THE CROSS-MOTION ARE:

19. Sections 11 and 11.2 of the CCAA;
20. Rules 1.04, 1.05, 2.03, 3.02, 16, 37 and 39;
21. The inherent and equitable jurisdiction of this Court; and
22. Such further and other grounds as counsel may advise and this Honourable Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the Cross-Motion:

- (a) Affidavit of Celeste van Tonder dated June 3, 2026 and the exhibits attached thereto.
- (b) Second Report of the Monitor dated June 4, 2026.
- (c) Affidavit of Joshua Gordon dated June 4, 2026 and the exhibits attached thereto.
- (d) Such further and other evidence as counsel may advise and this Honourable Court may permit.

June 4, 2026

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Lawyers for the First Secured Lenders

TO: **THE SERVICE LIST**

Schedule "A"

CCAA – DIP Financing Litigation Schedule

Step	Date
Responding and Cross Motion Record and Production Requests	June 11
Debtors' Reply Record and Production Requests Responses	June 17
Interrogatories to Monitor	June 22
Examination, Cross-Examinations	Week of June 22
Monitor Responses to Interrogatories	June 26
Monitor's Report	June 29
Debtors' and supporting parties' facta	June 30
Responding and Cross-Motion parties' facta	July 3
Debtors' Reply factum	July 6
Hearing (half day)	July 7 or after

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

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

Court File No. CL-26-00000219-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
PROCEEDING COMMENCED AT
TORONTO

NOTICE OF MOTION

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Lawyers for the First Secured Lenders

TAB 2

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

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

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

Applicants

**AFFIDAVIT OF JOSHUA GORDON
(Sworn June 4, 2026)**

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

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

2. Attached as **Exhibit "A"** is an email (without attachments) dated May 15, 2026, at 5:06 a.m. from Alexander Barnes of Davies Ward Phillips & Vineberg LLP ("**Davies**"), counsel to the Debtors, to the service list, providing a share file link to the Applicants' initial application record.

3. Attached as **Exhibit “B”** is a copy of the Aide Memoire of the Ad Hoc Committee in connection with the initial application. The Aide Memoire attached a letter from U.S. counsel to the Ad Hoc Committee, Akin Gump Strauss Hauer & Feld LLP (“**Akin**”), to the Board of Directors of Baffinland Iron Mines Corporation dated May 14, 2026 (the “**AHC Letter**”).
4. Attached as **Exhibit “C”** is an email dated May 15, 2026, at 5:44 p.m. from the Monitor to Akin and Cassels, enclosing a DIP solicitation letter which, among other things requested submission of any DIP proposal no later than 5:00 p.m. on Friday, May 20, 2026.
5. Attached as **Exhibit “D”** is an email dated May 19, 2026, at 7:20 p.m. from Ben Muller of Osler Hoskin & Harcourt LLP (“**Osler**”), counsel to the Monitor, advising that the deadline to submit financing proposals had been extended to May 25, 2026, at 5:00 p.m.
6. Attached as **Exhibit “E”** is an email dated May 25, 2026, at 5:21 p.m. from Philip Yang of Stikeman Elliott LLP (“**Stikeman**”), counsel to the Oaktree Capital Management, L.P. and Hartree Partners, LP (the “**First Secured Lenders**”), attaching a letter to the Monitor enclosing the binding DIP submission on behalf of the First Secured Lenders and the Ad Hoc Committee (the “**Initial Senior Secured Lenders’ DIP**”).
7. Attached as **Exhibit “F”** is an email dated May 27, 2026, at 9:48 a.m. from the Monitor to representatives of Cassels and Stikeman, attaching an issues list in respect of the Initial Senior Secured Lenders’ DIP and requesting written responses by no later than 3:00 p.m. that same day.
8. Attached as **Exhibit “G”** is an email exchange dated May 27, 2026, between representatives of Stikeman, Cassels and the Monitor regarding the timeline for responses to the issues and attaching the responses to the issues list.

9. Attached as **Exhibit “H”** is an email dated May 28, 2026, at 8:23 p.m. from Natalie Renner of Davies (the “**May 28 Email**”) to Cassels and Stikeman, enclosing a markup of the Initial Senior Secured Lenders’ DIP.

10. Attached as **Exhibit “I”** is an email dated May 30, 2026, at 4:26 p.m. from Philip Yang of Stikeman to the Monitor, enclosing a final revised DIP term sheet on behalf of the Senior Secured Lenders.

11. Attached as **Exhibit “J”** is an email dated June 1, 2026, at 9:46 p.m. from Sierra Farr of Osler to the Service List, advising that the motion returnable on June 3, 2026, had been rescheduled to be heard on June 5, 2026, at 11:00 a.m.

12. Attached as **Exhibit “K”** is an email dated June 2, 2026, at 8:05 a.m. from Timothy Pinos of Cassels to the Monitor requesting additional information on the time for submission of motion materials for the June 5, 2026 hearing and the ongoing DIP solicitation process.

SWORN BEFORE ME by video conference on this 4th day of June, 2026. The affiant and I were both located at the City of Toronto, in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



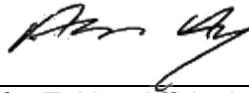
Commissioner for Taking Affidavits
(or as may be)

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



JOSHUA GORDON

This is Exhibit "A" referred to in the Affidavit of Joshua Gordon, affirmed June 4, 2026. The affiant and I both were located in the City of Toronto, in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

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

From: "Barnes, Alexander" <ABarnes@dwpv.com>
Date: May 15, 2026 at 5:06:26 AM EDT
To: "Schwill, Robin" <rschwill@dwpv.com>, "Renner, Natalie" <nrenner@dwpv.com>, greg.watson@fticonsulting.com, Jeffrey.Rosenberg@fticonsulting.com, mwasserman@osler.com, MDeLellis@osler.com, mkonyukhova@stikeman.com, "Jacobs, Ryan" <rjacobs@cassels.com>, evan.cobb@nortonrosefulbright.com
Subject: Application Materials re Nunavut Iron Ore, Inc. et al – Initial Order CCAA

CAUTION: External Email

Counsel:

Please find accessible through the Sharefile link below the Application Materials of the Applicants Nunavut Iron Ore, Inc., Baffinland Iron Mines Corporation, and 12334992 Canada Inc. in relation to the Applicants' application returnable today at 10:00AM, which are hereby served upon you pursuant to the *Rules of Civil Procedure*. Please note that we have not yet received Zoom details from the Court but will circulate them when they become available.

The Application Materials constitute the following documents:

1. Factum of the Applicants dated May 14, 2026; and
2. Application Record of the Applicants dated May 14, 2026.

<https://dwpv.sharefile.com/d-s6bec3410b3bf469e887b8cc94cca68dc>

The Factum of the Applicants contained in the link above contains hyperlinks to the relevant portions of the Application Record for ease of reference. Note that, for the hyperlinks to function properly, you will need to **download** the zip folder, **right click** on the downloaded zip-folder and **select extract all** before accessing the Factum. Please let us know if you have issues accessing the Application materials.

Best regards,
Alex

Alexander Barnes
T 416.863.4131
ABarnes@dwpv.com

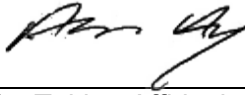
DAVIES

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DAVIES WARD PHILLIPS & VINEBERG LLP

This email may contain confidential information which may be protected by legal privilege. If you are not the intended recipient, please immediately notify us by reply email or by telephone. Delete this email and destroy any copies.

This is Exhibit “B” referred to in the Affidavit of Joshua Gordon, affirmed June 4, 2026. The affiant and I both were located in the City of Toronto, in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

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

Court File No.

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.

Applicant

**AIDE MEMOIRE OF THE AD HOC COMMITTEE
OF SENIOR SECURED NOTEHOLDERS**

MAY 15, 2026

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Lawyers for the Ad Hoc Committee

1. The Ad Hoc Committee represents approximately 70% of the \$575 million of 8.750% senior secured notes due 2026 (the “**Notes**”) issued by Baffinland Iron Mines Corporation. The Ad Hoc Committee constitutes the largest secured creditor group (and largest stakeholder) of the Company.

2. This Court should adjourn today’s hearing to Tuesday, May 19 to provide a brief window to allow the Company to address a commitment delivered by the Ad Hoc Committee yesterday that will:

(a) pay out in full the two other secured debt facilities (the EDC \$75 million term loan and the Oaktree/Hartree \$126.5 million credit facility) which the Company maintains are in default; and,

(b) provide additional liquidity to ensure that the Company is adequately capitalized to address its ongoing obligations.

(the “**Commitment**”)

3. The Commitment will allow the Company to avoid today’s proposed insolvency filing and the attendant negative impact on all stakeholders. Fairness dictates that the Company engage with the Ad Hoc Committee over a very brief period to pursue the Commitment and maximize value without the consequences of an insolvency.

4. There is no evidence that supports the need for an Initial Order being granted today. The Company does not even allege:

(a) an urgent liquidity crisis that needs to be addressed with interim DIP financing today;

(b) that suppliers are in a position to materially disrupt or shut down the operations of the Company today; or

- (c) that enforcement actions being taken by any material creditor of the Company today.

5. Today's proposed filing is largely being driven by defaults alleged under the Company's secured debt obligations. The Ad Hoc Committee's Commitment will eliminate those and provide additional liquidity necessary to support the business and remain solvent.

6. Remarkably, the Application and Pre-Filing Report of the proposed Monitor both fail to disclose the Ad Hoc Committee's engagement and Commitment. Attached is a letter of yesterday's date delivered by the Ad Hoc Committee's U.S. counsel to the Company's counsel which affirmed the Committee's "immediate willingness to (a) refinance certain of the Company's outstanding debt and (b) provide supplemental liquidity to enable the Company to meet its pressing obligations in order to alleviate any pressure the Company may be feeling to commence a near-term proceeding..."

7. The Ad Hoc Committee's letter was immediately followed by the delivery of three term sheets to the Company's counsel to promptly effect the payout of the other secured debt and to provide additional liquidity. Both the letter and term sheet were met with no response.

8. The letter also describes the prior continuing efforts of the Ad Hoc Committee to finalize a recapitalization transaction which would have addressed debt and long-term liquidity issues of the Company. Despite recent rumours of the Company's intention to file for CCAA protection, the Company assured the Ad Hoc Committee that it would not. In reality, it appears that the Company has been working for some time to commence today's Application, possibly in co-ordination with other stakeholders. The Company kept its largest secured creditors completely in the dark.

9. More surprisingly, the Company's affidavit confirms that the proposed Monitor already commenced a DIP solicitation process, and that the Company intends to seek approval of DIP financing at the comeback hearing, which could be as early as next week. In the circumstances,

it is clear that a DIP lender has already been selected, whether or not a commitment has been signed.

10. The Ad Hoc Committee was completely excluded from this process, all while being assured that a CCAA filing was not in the cards. Only after the Ad Hoc Committee raised its concerns about a possible filing yesterday did the proposed Monitor reach out to the Ad Hoc Committee about potential participation in a DIP solicitation process. It is clear that the selection of a DIP lender is a fait accompli, and that the Company has not satisfied its obligations to run a fair, robust and competitive process where all potential DIP lenders have an equal opportunity to make their proposals.

11. These circumstances support the Court adjourning this Application until Tuesday morning. This three-day window will allow the Company to pursue the opportunity afforded by the Ad Hoc Committee's commitment to the benefit of all the Company's stakeholders, including the employees, shareholders and communities served that will bear the brunt of an insolvency.

12. This not a request that the Application be dismissed. The adjournment will allow the parties to determine whether this filing is required at all. There is no evidence of any prejudice if this short adjournment is granted.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 15th day of May, 2026.

CASSELS BROCK & BLACKWELL 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.

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

PROCEEDING COMMENCED AT
TORONTO

AIDE MEMOIRE OF THE AD HOC COMMITTEE

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May 14, 2026

The Board of Directors of Baffinland Iron Mines Corporation
c/o John E. Estes, Esq.
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New York, New York 10004-2498
Email: estesj@sullcrom.com

c/o Robin B. Schwill, Esq.
Davies Ward Phillips & Vineberg LLP
155 Wellington Street West
Toronto ON M5V 3J7
Canada
Email: rschwill@dwpv.com

Re: Baffinland Iron Mines Corporation, *et al.*

Dear Members of the Board of Directors:

We write on behalf of an ad hoc group (the “**Ad Hoc Noteholder Group**”) comprised of one or more beneficial holders (or investment managers or advisors to beneficial holders) of those certain 8.750% senior secured notes due 2026 (the “**Notes**”) issued by Baffinland Iron Mines Corporation (“**Baffinland**”) and Baffinland Iron Mines LP (“**BIM LP**”) and, together with Baffinland and their direct and indirect subsidiaries, the “**Company**”). As you know, Akin Gump Strauss Hauer & Feld LLP (“**Akin**”) has been engaged as counsel to the Ad Hoc Noteholder Group in connection with the negotiation and documentation of one or more potential transactions involving the Notes, including, without limitation, a financing, refinancing, recapitalization, tender offer, exchange offer and/or restructuring of the Notes (each, a “**Transaction**”), and more specifically with respect to the proposed exchange transaction (the “**Exchange Transaction**”) contemplated by that certain term sheet, offering memorandum and related documentation currently being negotiated by the Company and the Ad Hoc Noteholder Group. We write this letter to (i) reiterate the Ad Hoc Noteholder Group’s desire to work constructively with the Company and its other stakeholders to finalize and implement the Exchange Transaction, or another out-of-court Transaction to be implemented on mutually acceptable terms, (ii) advise the Board of the Ad Hoc Noteholder Group’s concerns regarding the Company’s engagement (or lack thereof) in recent weeks and the increasing rumors that the Company intends to pivot away from its pending discussions with the Ad Hoc Noteholder Group and commence a formal insolvency proceeding and (iii) inform the Company of the Ad Hoc Noteholder Group’s immediate willingness to (a) refinance certain of the Company’s outstanding debt and (b) provide supplemental liquidity to enable the Company to meet its pressing obligations in order to alleviate any pressure the Company may be feeling to commence a near-term proceeding, in each case as set forth in more detail below.

For months, the Ad Hoc Noteholder Group and its advisors have engaged in good faith with the Company and its advisors in reliance on the Company's continued participation in the negotiation and documentation of the Exchange Transaction, and the Ad Hoc Noteholder Group has devoted substantial time, resources and capital-planning efforts towards the consummation of such Transaction (or any other Transaction to be agreed to by the parties). The Ad Hoc Noteholder Group remains fully committed to finalizing and implementing the Exchange Transaction on mutually agreeable terms. We understand, however, that the Company may be facing liquidity and other challenges as it works to finalize the Exchange Transaction documentation. Accordingly, if the Company is considering pivoting to an insolvency filing notwithstanding these months of good-faith negotiations, the Board should understand that the Ad Hoc Noteholder Group is ready, willing and able to provide capital solutions both out-of-court and, if necessary, in an insolvency proceeding.

To that end, in addition to our continued commitment to consummating the Exchange Transaction, the Ad Hoc Noteholder Group is willing and able to refinance immediately one or both of the debt facilities under the (i) credit agreement dated as of October 7, 2022 (as amended pursuant to an amendment dated September 27, 2023, an amendment dated March 26, 2024, an amendment dated May 27, 2025 and an amendment dated November 24, 2025, the "**EDC Credit Agreement**"), among Baffinland and BIM LP, as borrowers and Export Development Canada, as lender and (ii) revolving credit agreement dated as of May 26, 2017 (as amended by the first amendment dated June 27, 2018, the second amendment dated October 25, 2019, the third amendment dated February 14, 2022, the fourth amendment dated March 26, 2024, the fifth amendment dated May 27, 2025 and the sixth amendment dated November 24, 2025, as further amended, amended and restated, supplemented or otherwise modified from time to time, the "**Senior Credit Agreement**"), among Baffinland and BIM LP, as borrowers, the several lenders from time to time party thereto, Alter Domus (US) LLC, as administrative agent and Wilmington Trust, National Association, as the collateral agent, in each case, to the extent that the Company concludes that refinancing either or both of those facilities would be helpful to its overall restructuring efforts. We expect the Company and its advisors to engage with the Ad Hoc Noteholder Group on such potential refinancing (or refinancings) before the Company initiates any in-court restructuring proceedings, particularly given the months of good-faith negotiations and the Ad Hoc Noteholder Group's reliance on the negotiations surrounding the Exchange Transaction.

Relatedly, the Ad Hoc Noteholder Group believes that the Company may be facing liquidity constraints that are impeding its ability to operate in the ordinary course and perform its contractual obligations. The Ad Hoc Noteholder Group is therefore also willing and able to provide immediate access to additional liquidity to support the Company's operations and provide the Company with enhanced runway—outside of a formal insolvency proceeding or, if necessary, through an in-court financing or other capital solution—to implement the Exchange Transaction (or other Transaction acceptable to the parties), address its near-term maturities and position the businesses for success moving forward. The Ad Hoc Noteholder Group's members are actively coordinating so that they can move quickly and present any proposal in a unified and executable manner.

Finally, we understand that the Company may be considering commencing a proceeding under the Companies' Creditors Arrangement Act ("**CCAA**") in Canada. Before the Company initiates any in-court process, the Company and its advisors should engage directly with the Ad Hoc Noteholder Group regarding the financing, refinancing and recapitalization alternatives that the Ad Hoc Noteholder Group is ready to provide. If the Company is contemplating a CCAA proceeding, we ask that the Ad Hoc Noteholder Group through its counsel (on a confidential basis) be provided with no less than 24 hours' written notice of the scheduled hearing or case conference as well as drafts of the proposed initial order and application record to enable the Ad Hoc Noteholder Group and its advisors to review and comment on the proposed order prior to service and make arrangements to participate meaningfully at the initial hearing. We would anticipate that, under such circumstances, the Company would not be seeking approval of a debtor-in-

possession (“**DIP**”) financing at any initial or comeback hearing given that, among other things, the Ad Hoc Noteholder Group has not been solicited or invited to participate in any competitive DIP process to date. In that regard, please advise us if the Company and/or any of its advisors (including FTI Consulting as proposed Monitor) has solicited interest in DIP financing proposals from any other stakeholders and/or third parties and, if so, when that solicitation (formal or informal) commenced, what the proposed terms solicited for DIP financing were and what proposals have been received, if any. If the Company does intend to commence a CCAA proceeding and seek approval of DIP financing, we expect that the Company will seek approval of a fair, transparent and competitive DIP financing solicitation process whereby all secured creditors will be provided equal access to information to support the Company’s proposed financing needs and have an equal opportunity to submit proposals on a reasonable timeline. While the Ad Hoc Noteholder Group has not been approached by the Company to submit a DIP proposal, it is prepared to provide DIP financing should the Company determine to file a CCAA proceeding notwithstanding the contents of this letter.

The Ad Hoc Noteholder Group and each of its members reserve all rights and remedies they may have now or in the future, and neither failure to exercise nor delay in exercising any such right or remedy shall constitute or should be construed as a waiver, release, forbearance, amendment or modification unless expressly stated otherwise.

We look forward to engaging immediately on the initiatives outlined in this letter and working with the Company to address its imminent liquidity and maturity concerns in a manner mutually acceptable to the Company and the Ad Hoc Noteholder Group before the Company takes any action that would prejudice the Ad Hoc Noteholder Group’s rights or foreclose the capital solutions the Ad Hoc Noteholder Group is ready to provide. The Ad Hoc Noteholder Group and its professionals are available to discuss the issues raised herein with the Company and its advisors immediately. Please ensure that a copy of this letter is provided to the Company’s Board of Directors post-haste.

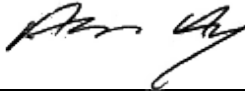
Very truly yours,

/s/ Ira S. Dizengoff

Ira S. Dizengoff

cc: Ad Hoc Noteholder Group
Meredith Lahaie, Esq.
Ryan Jacobs, Esq. & Tim Pinos, Esq., Cassels Brock & Blackwell LLP

This is Exhibit "C" referred to in the Affidavit of Joshua Gordon, affirmed June 4, 2026. The affiant and I both were located in the City of Toronto, in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

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

From: "Rosenberg, Jeffrey" <jeffrey.rosenberg@fticonsulting.com>
Date: May 15, 2026 at 5:44:01 PM EDT
To: Ira Dizengoff <idizengoff@akingump.com>
Cc: "Jacobs, Ryan" <rjacobs@cassels.com>, "Watson, Greg" <greg.watson@fticonsulting.com>
Subject: Baffinland DIP

CAUTION: External Email

Please find attached our DIP Solicitation Letter. Please circulate as necessary in your organizations.

Thank you, Jeff

Jeffrey Rosenberg
Senior Managing Director

FTI Consulting
Corporate Finance & Restructuring
+1.416.649.8073 T | +1.416.312.9293 M
jeffrey.rosenberg@fticonsulting.com

TD Waterhouse Tower
79 Wellington Street West
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Toronto, Ontario
M5K 1G8

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Corporate Finance

TD South Tower
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Toronto, ON M5K 1G8

T: 416.649.8073
F: 416.649.8101

fticonsulting.com

May 15, 2026

Akin Gump Strauss Hauer & Feld LLP
One Bryant Park Bank of America Tower
New York, NY 10036
Attention: Mr. Ira S. Dizengoff

Dear Mr. Dizengoff:

Re: Nunavut Iron Ore, Inc., Baffinland Iron Mines Corporation and 12334992 Canada Inc. (together, the “**Applicants**”)

Pursuant to an order made by the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated May 15, 2026, the Applicants and Baffinland Iron Mines LP (together, the “**Debtors**”) were granted protection under the *Companies’ Creditors Arrangement Act* (the “**CCAA**”) and FTI Consulting Canada Inc. was appointed monitor (in such capacity, the “**Monitor**”). A copy of the Initial Order and other Court materials filed publicly in these CCAA proceedings are available on the Monitor’s website at: <https://cfcanada.fticonsulting.com/baffinland>.

The principal purpose of these CCAA proceedings is to provide the Debtors with the stability and breathing room necessary to continue operations on a going-concern basis while they pursue a refinancing, recapitalization, restructuring plan, investment, or sale solicitation process (or any combination of the foregoing) designed to maximize value for the benefit of all stakeholders.

The Debtors and the Monitor are undertaking a competitive interim financing solicitation process (“**DIP Financing Process**”) to include the Debtors’ working capital requirements, general corporate purposes, post-filing expenses and expansion plans during these CCAA proceedings.

Interested parties must execute a non-disclosure agreement, in form and substance satisfactory to the Debtors and the Monitor.

Participants in the DIP Financing Process will receive both an interim financing budget and a form of interim financing term sheet.

The Monitor and the Debtors will be available to engage with parties participating in the DIP Financing Process to discuss same.

Final, definitive, executed interim financing term sheets, along with a blackline to a form of the interim financing term sheet, must be submitted to the Debtors and the Monitor by no later than 5:00 pm (Toronto time) on May 20, 2026 (the “Deadline Date”) via email to the email addresses set out below:

Jeffrey Rosenberg

Greg Watson

Email: Jeffrey.Rosenberg@fticonsulting.com Email: Greg.Watson@fticonsulting.com

The Debtors, in consultation with the Monitor, will consider all executed interim financing term sheets received prior to the Deadline Date, which will include a consideration of various factors, including:

- The size of each interim financing facility;
- The cash costs associated with each interim financing proposal;
- The terms, conditions, covenants and events of defaults in each interim financing proposal;
- The relative degree of potential operational disruption resulting from each interim financing proposal; and
- The continued availability of margin and hedging arrangements under each interim financing proposal.

The Monitor and the Debtors may, following receipt of any interim financing proposal, seek clarification with respect to any of the terms or conditions of the interim financing proposal and/or request and negotiate one or more amendments to such interim financing proposal prior to selecting an interim financing proposal.

Following the Deadline Date, the Debtors, in consultation with the Monitor, will review the interim financing proposals received. The selected proposal in the DIP Financing Process will require Court approval. The Debtors are not obliged to accept any offer. The Monitor and the Debtors reserve the right to evaluate all offers, to negotiate their terms and to reject any and all offers and to amend the DIP Financing Process as it considers appropriate.

If you have any questions, please do not hesitate to contact Jeffrey Rosenberg or Greg Watson.

Yours very truly,



Jeffrey Rosenberg, Senior Managing Director

FTI CONSULTING CANADA INC., IN ITS CAPACITY AS MONITOR OF NUNAVUT IRON ORE, INC., BAFFINLAND IRON MINES CORPORATION AND 12334992 CANADA INC.

This is Exhibit "D" referred to in the Affidavit of Joshua Gordon, affirmed June 4, 2026. The affiant and I both were located in the City of Toronto, in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

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

From: Muller, Ben

Sent: Tuesday, May 19, 2026 7:20 PM

Cc: Wasserman, Marc ; De Lellis, Michael ; Rosenberg, Jeffrey ; Watson, Greg

Subject: CCAA Proceedings of Baffinland Iron Mines Corporation et al. (Court File No. CL-26-00000219-0000) – Notice of Extension of Deadline Date under DIP Financing Process

CAUTION: External Email

We refer to the process letter that you received in connection with the interim financing solicitation process (the “**DIP Financing Process**”) being conducted by Nunavut Iron Ore Inc., Baffinland Iron Mines Corporation, 12334992 Canada Inc. (together, the “**Applicants**”) and Baffinland Iron Mines LP, and FTI Consulting Canada Inc. in its capacity as monitor of the Applicants.

We are writing to advise you that, pursuant to the DIP Financing Process, **the Deadline Date has been extended to 5:00 p.m. (Toronto time) on May 25, 2026.**

Further information regarding the CCAA proceedings can be found on the Monitor’s website at: <https://cfcanada.fticonsulting.com/baffinland>.

Please contact the Monitor’s representatives Jeffrey Rosenberg (Jeffrey.Rosenberg@fticonsulting.com) or Greg Watson (Greg.Watson@fticonsulting.com) for any questions.

OSLER

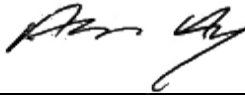
Ben Muller

Associate

416.862.5923 | bmuller@osler.com

Osler, Hoskin & Harcourt LLP | osler.com

This is Exhibit “E” referred to in the Affidavit of Joshua Gordon, affirmed June 4, 2026. The affiant and I both were located in the City of Toronto, in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

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

From: Philip Yang <pyang@stikeman.com>

Sent: Monday, May 25, 2026 5:21 PM

To: Watson, Greg <greg.watson@fticonsulting.com>; Rosenberg, Jeffrey <jeffrey.rosenberg@fticonsulting.com>

Cc: idizengoff@akingump.com; mlahaie@akingump.com; lcharleston@akingump.com; nethridge@akingump.com;

Jacobs, Ryan <rjacobs@cassels.com>; Wunder, Michael <mwunder@cassels.com>; Maria Konyukhova

<mkonyukhova@stikeman.com>; Logan Copen <lcopen@stikeman.com>; Bolin, Brian <bbolin@paulweiss.com>;

Graham, Joe <jgraham@paulweiss.com>

Subject: CCAA Proceedings of Nunavut Iron Ore, Inc. Baffinland Iron Mines Corporation, and 12334992 Canada Inc. - Submission of DIP Proposals

CAUTION: External Email

Good afternoon.

In accordance with the DIP solicitation process conducted by the Monitor in the above-captioned proceedings, please see attached letter from Maria Konyukhova of today's date, together with enclosures.

Best regards,

Philip Yang

Direct: +1 416 869 5593

Mobile: +1 416 476 6195

Email: PYang@stikeman.com

Stikeman Elliott

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Stikeman Elliott LLP Barristers & Solicitors

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

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

Maria Konyukhova
Direct: +1 416 869 5230
Mobile: +1 416 319 1632
mkonyukhova@stikeman.com

May 25, 2026

By Email: greg.watson@fticonsulting.com; and
jeffrey.rosenberg@fticonsulting.com

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

Attention: Greg Watson and Jeffrey Rosenberg

Dear Sirs:

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

We are counsel to Oaktree Capital Management, L.P. and Hartree Partners, LP (together, the “**First Secured Lenders**”), the lenders under the Credit Agreement dated May 26, 2017 (as amended from time to time, the “**Credit Facility**”).

Please find enclosed a binding commitment for a DIP facility in the amount of US\$300,000,000 provided by the First Secured Lenders’ and the ad hoc group of holders of 8.750% senior secured notes due 2026 (the “**Notes**”) issued by Baffinland Iron Mines Corporation (the “**Ad Hoc Group**”, and together with the First Secured Lenders, the “**Senior Secured Lenders**”) (the “**CCAA DIP**”). The proposal is submitted jointly by the First Secured Lenders and the Ad Hoc Group as a unified financing package for the Company in the CCAA Proceedings.

The CCAA DIP should be accepted as the successful DIP under the DIP solicitation process. As a starting point, the Senior Secured Lenders represent the vast majority of the secured creditors of the Company. As you know, the First Secured Lenders hold first-ranking security over all of the Company’s assets under the Credit Facility. The principal amount outstanding under the Credit Facility is approximately US\$183,000,000, and the Credit Facility is currently in default. The AHG holds *pari passu* security over the Shared Collateral (as defined in the Intercreditor Agreement dated as of June 27, 2018 (the “**Intercreditor Agreement**”)¹, between the Company, the First Secured Lenders, the AHG, holders of the Notes, and

¹ “Shared Collateral” is defined in the Intercreditor Agreement as “at any time, Collateral in which the holders of any Series of Priority Obligations and/or any Series of Pari Passu Obligations (or their respective Collateral Agents) hold a valid and perfected security interest at such time; provided that, for the avoidance of doubt, cash collateral securing Letters of Credit (as defined in the Priority Documents, as applicable) created under the Priority Documents, as applicable, and funds deposited for the discharge or defeasance of any Pari Passu Obligations shall not constitute Shared Collateral. If more than two Series of Pari Passu Obligations are outstanding at any time and the holders of less than all Series of Pari Passu Obligations hold a valid and perfected security interest in any Collateral at such time, then such Collateral shall constitute Shared Collateral for those Series of Pari Passu Obligations that hold a valid security interest in such Collateral at such time and shall not constitute Shared Collateral for any Series which does not have a valid and

Export Development Canada (“EDC”). The Senior Secured Lenders are the parties who bear the most direct economic risk and who will suffer the greatest loss if value is eroded in the CCAA Proceedings. No other stakeholder has a greater alignment of interest with the preservation of enterprise value.

The Senior Secured Lenders have also sized the CCAA DIP to accommodate BIM’s requests. The CCAA DIP at US\$300,000,000 is sufficient to: (a) stabilize the Company’s operations; (b) fund an orderly and longer than typical sale and investment solicitation process; and (c) sustain the Company through the coming winter.

In the event that the Company and the Monitor select a bid to provide DIP financing that is not agreeable to some stakeholders of BIM, and the Company requires additional time to resolve any objections to the selected DIP facility, the Senior Secured Lenders are also submitting a binding proposal for an interim bridge debtor-in-possession (“DIP”) facility in the amount of US\$70,000,000 (the “Interim Bridge DIP”). Among other things, due to the short duration of the DIP solicitation process and certain delays in obtaining the financial information needed to assess the Company’s cash needs, significant questions remain surrounding the backup behind the cash flow projections, the DIP budget and the projected Company spend over the course of the CCAA Proceedings. Without prejudice to the Senior Secured Lenders’ ability to ask further questions, certain questions that are anticipated to be asked include:

- How does the current budget compare to previous iterations and what is the justification for the material changes?
- How were the various inherent conflicts of interest affecting decision-making at the Company in the selection of the DIP addressed?

Importantly, the Interim Bridge DIP provides stability and certainty of funding for the Company and its stakeholders, including employees, trade creditors, and operational counterparties, while the parties litigate or resolve the selection of the larger, longer-term DIP facility. No stakeholder need be concerned about whether funds will be available to meet the Company’s obligations during this interim period. We note that the Interim Bridge DIP carries no fees in the event it is repaid out of the proceeds of a replacement DIP facility, rendering it entirely without prejudice to any party.

We also note that pursuant to Section 3.01(b) of the Intercreditor Agreement, EDC is precluded from objecting to DIP financing, the related DIP liens (including super-priority liens), and the use of cash collateral constituting “Shared Collateral”, unless Wilmington Trust, National Association, in its capacity as collateral agent under the Credit Facility, objects. This restriction applies to DIP financing that does not incrementally exceed US\$40,000,000. The First Secured Lenders’ collateral agent does not intend to object. Accordingly, the contractual precondition to any objection by EDC has not been and will not be satisfied. Any purported objection by EDC to the first US\$40,000,000 of DIP financing is contractually barred. Amounts in the Interim Bridge DIP above and beyond US\$40,000,000 is available to the Company only in the event that the Company requires it to maintain operations in the ordinary course.

The Senior Secured Lenders look forward to engaging constructively with the Company and the Monitor on the CCAA DIP. Our clients believe that working together toward the prompt approval and implementation of this facility represents the clearest path to maximizing value for the Company and its stakeholders. The Senior Secured Lenders have provided the requested financial commitment, have the operational expertise, and are the most aligned with the Company to ensure that the Company emerges from these CCAA Proceedings as a viable, going-concern enterprise. The Senior Secured Lenders remain ready to

perfected security interest in such Collateral at such time. If more than two Series of Priority Obligations are outstanding at any time and the holders of less than all Series of Priority Obligations hold a valid and perfected security interest in any Collateral at such time, then such Collateral shall constitute Shared Collateral for those Series of Priority Obligations that hold a valid security interest in such Collateral at such time and shall not constitute Shared Collateral for any Series which does not have a valid and perfected security interest in such Collateral at such time.”

move immediately upon acceptance and welcome the opportunity to work with all parties toward a successful restructuring that preserves jobs, protects critical operations, and delivers the best possible outcome for all of BIM's stakeholders.

While the Senior Secured Lenders hope to arrive at a mutually agreeable solution for provision of DIP financing to BIM, they reserve all of their rights to challenge, oppose, and seek to set aside any alternative DIP facility selected by the Company and the Monitor if the terms of same are prejudicial to the interests of the Senior Secured Lenders, the likely fulcrum creditors of BIM.

Yours truly,

Stikeman Elliott LLP



Maria Konyukhova
Partner

MK/PY

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

Encl.

DIP FACILITY LOAN AGREEMENT

DATED AS OF May ■, 2026

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

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

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

1. **Defined Terms:** A capitalized term not defined in the body of this Agreement has the meaning ascribed to it in the Definitions section below.

2. **Interpretation:** In this Agreement, words signifying the singular number include the plural and *vice versa*, and words signifying gender include all genders. Every use of the word "including" in this Agreement is to be construed as meaning "including, without limitation".

 The division of this Agreement into Sections and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement.

 References in this Agreement to Sections or Schedules are to be construed as references to a Section or Schedule of or to this Agreement unless the context requires otherwise.

3. **Currency:** Unless otherwise stated, all monetary denominations shall be in lawful currency of the United States of America.

4. **Borrowers:** Baffinland Iron Mines Corporation ("**BIM Corp**") and Baffinland Iron Mines LP ("**Baffin LP**" and, together with BIM Corp, the "**Borrowers**").

5. **Guarantors:** Means Nunavut Iron Ore, Inc. and 12334992 Canada Inc. (collectively, the "**Guarantors**" and collectively with the Borrowers, the "**Obligors**").

6. **DIP Lenders:** The institutions described in Schedule A (on behalf of themselves and their affiliates and managed funds) hereby commit to provide the DIP Facility, on a several and not joint basis, in the respective amounts set forth adjacent to each such institution's name in Schedule A upon the

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

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

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

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

7. **DIP Facility:** The DIP Lenders agree to establish in favour of the Borrowers a debtor-in-possession delayed draw term loan facility (the “**DIP Facility**” and, the loans thereunder, the “**DIP Loans**”) in the principal amount equal to \$300 million (the “**Loan Amount**”).

8. **DIP Advances:** An initial advance under the DIP Facility in the principal amount of \$50 million (the “**Initial Advance**”) shall be made available to the Borrowers and shall be deposited into the Borrowers’ Account (defined below) within one (1) Business Day after the date of the entry of the Second Amended and Restated Initial Order (defined below), provided the Initial Advance Conditions are satisfied as of such date.

Subsequent advances under the DIP Facility (each, a “**Subsequent Advance**”) shall be made available to the Borrowers and shall be deposited into the Borrowers’ Account (defined below) every other week (or as otherwise agreed by the Borrowers and the Required DIP Lenders), with each Subsequent Advance being in an amount no less than \$20 million against the Approved Cash Flow Forecast, in each case subject to the satisfaction of the Subsequent Advance Conditions (as defined below). The sum of the Initial Advance and the Subsequent Advances shall not exceed the Loan Amount. The timing and amount of each Subsequent Advance shall be determined based on the funding needs of the Borrowers as set forth in the Approved Cash Flow Forecast, and Subsequent Advances shall only be available and provided hereunder after the Borrowers have received the entirety of the Initial Advance.

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

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

9. **Use of Proceeds:** The proceeds of the DIP Facility shall be used solely by the Borrowers in accordance with the Approved Cash Flow Forecast, which shall include provision for payment, in all respects subject to and to the extent included in the Approved Cash Flow Forecast, of (i) the fees of the Monitor and its counsel and counsel for the Borrowers, (ii) interest, fees (including the Commitment/Funding Fee) and other amounts owing to the DIP Lenders under this Agreement, (iii) pre and post-filing expenses payable to the DIP Lenders or their advisors under the Senior Credit Agreement, the Indenture, or the DIP Facility (including, without limitation, those set forth in section 13) and ordinary course payments for the Borrowers' working capital needs during the CCAA Proceeding, including, post-filing accounts payable in the ordinary course of the Business and Priority Payables, (iv) royalty payments under the Royalty Agreements, and (v) amounts payable under the Benefits Agreement, in each case, under clauses (i) through (v), as set forth in the Approved Cash Flow Forecast (subject to Permitted Variances). Without the prior written consent of the Required DIP Lenders (subject to the Supermajority DIP Lender Budget Consent Right), no proceeds may be used, and no expenditures shall be made, for any purpose that is not included in the Approved Cash Flow Forecast.
10. **Assignment by the Borrowers:** The Borrowers shall not be permitted to assign this Agreement without the prior written consent of each DIP Lender.

11. **Evidence of Indebtedness:** The DIP Agent shall maintain a register evidencing Advances and repayments under the DIP Facility and all other amounts owing from time to time hereunder. The DIP Agent register constitutes, in the absence of manifest error, *prima facie* evidence of the Indebtedness of the Borrowers to the DIP Lenders pursuant to the DIP Facility.
12. **Interest; Fees** All amounts owing by the Borrowers hereunder to the DIP Lenders on account of the principal, overdue interest and expenses shall bear interest at a rate per annum equal to Adjusted Term SOFR (which, for purposes of this Agreement, shall have the meaning given to such term in the Senior Credit Agreement, treating the DIP Loans as SOFR Loans thereunder and utilizing a one-month Interest Period as set forth below) plus 7.00%, payable entirely in cash on each Interest Payment Date (the "**Interest Rate**"). To the extent permitted by Law, effective upon the occurrence of and during the continuance of an Event of Default, all amounts owing to the DIP Lenders hereunder by the Borrowers on account of principal, overdue interest and expenses shall bear interest at the Interest Rate plus an additional 2% per annum (the Interest Rate, as increased, the "**Default Rate**").
- All interest hereunder shall be computed on the basis of a year of 360 days and shall accrue and be calculated daily and payable in cash, monthly in arrears on the last Business Day of each month (each, an "**Interest Payment Date**"); provided that unless otherwise agreed by the Required DIP Lenders, interest accruing at the Default Rate shall be payable in cash on demand, both before and after demand and judgment.
- In the case of an Advance, the first "**Interest Period**" shall commence on and include the date of such Advance and shall end on and exclude the next following Interest Payment Date. Thereafter, in the case of such Advance, the Interest Period shall commence on and include the Interest Payment Date and end on and exclude the next Interest Payment Date or the Maturity Date, whichever is earlier.
- Upon entry of the Second Amended and Restated Initial Order, the Borrowers shall pay a fee (the "**Commitment/Funding Fee**") of 3.00% of the Loan Amount to the DIP Lenders on a pro rata basis, which such Commitment/Funding Fee shall be payable in kind and capitalized on the principal amount of the DIP Loans on such date.
- The Commitment/Funding Fee shall constitute part of the DIP Obligations, shall be secured by the DIP Charge, and shall bear interest at the Interest Rate (or, after the occurrence and during the continuance of an Event of Default, the Default Rate).
13. **Other Costs and Expenses:** The Borrower shall pay all reasonable and documented third-party costs and expenses of the DIP Agent, the DIP Lenders and the Fronting Lender for all due diligence and all reasonable and documented fees, expenses and disbursements of advisors (which, for the avoidance of doubt, shall include (i) Stikeman Elliott LLP, as counsel to the Senior Lenders, (ii) Paul, Weiss, Rifkind, Wharton & Garrison LLP, as special counsel to the Senior

Lenders, (iii) a financial advisor to the Senior Lenders, (iv) Akin Gump Strauss Hauer & Feld LLP, as counsel to the Holder AHG, (v) Cassels Brock & Blackwell LLP, as counsel to the Holder AHG and (vi) Houlihan Lokey, as financial advisor to the Holder AHG) in connection with the preparation, negotiation and consummation of this Agreement or any other Restructuring Transaction, the administration of the DIP Facility and participation in the CCAA Proceeding, including any reasonable and documented third-party costs and expenses incurred by the DIP Agent, the DIP Lenders and the Fronting Lender in connection with the enforcement of any of the rights and remedies available hereunder or under the DIP Security (collectively, the **"DIP Lender Expenses"**). The DIP Lender Expenses shall form part of the DIP Obligations secured by the DIP Charge (as defined below). All accrued DIP Lender Expenses incurred prior to date of the Initial Advance (including prior to the filing of the CCAA Proceeding) shall be paid in full through deduction from the Initial Advance.

14. **Approved Cash Flow Forecast:**

Attached hereto as Schedule B is a detailed cash flow projection (the **"Initial Cash Flow Forecast"**), which is in form and substance satisfactory to the Required DIP Lenders and which may include, *inter alia*, provision for payments on account of any interest and expenses which may be payable under the DIP Facility, rent and other occupancy costs, supplier payments, post-filing accounts payable in the ordinary course of the Business, Priority Payables, payments of amounts payable under the Royalty Agreements and the Benefits Agreement, and the costs and expenses associated with the CCAA Proceeding.

The Borrowers, with the assistance of the Monitor, shall, from time to time as required by this Agreement, present the DIP Lenders with a revised budget in a form acceptable to the Required DIP Lenders (subject to the Supermajority DIP Lender Budget Consent Right) (the **"Updated Cash Flow Forecast"**). Upon the written approval of the Required DIP Lenders (subject to the Supermajority DIP Lender Budget Consent Right), the Updated Cash Flow shall thereafter be deemed to be the effective budget (the **"Approved Cash Flow Forecast"**) for the purposes hereof. Until such time as the Required DIP Lenders (subject to the Supermajority DIP Lender Budget Consent Right) approve an Updated Cash Flow Forecast, the prior Approved Cash Flow Forecast shall remain in effect for disbursement lines in the Operating Disbursements section set forth in the then applicable Initial Cash Flow Forecast or Approved Cash Flow Forecast, as applicable; *provided* that no other amounts may be "rolled-forward" past the 13-week period contemplated by such Approved Cash Flow Forecast, and no additional amounts may be expended thereon except as expressly approved in a subsequently approved Updated Cash Flow Forecast. The DIP Lenders shall be under no obligation to approve any Updated Cash Flow Forecast notwithstanding any prior approval of any prior or then-current Approved Cash Flow Forecast.

Notwithstanding any other provision of this Agreement, neither the DIP Agent nor the DIP Lenders shall be obligated to make any advance under

the DIP Facility which does not comply with or adhere to the Approved Cash Flow Forecast.

For the avoidance of doubt, the Approved Cash Flow Forecast will include payment of all reasonable and documented out of pocket fees and expenses of advisors to EDC, the Senior Agents, the Senior Lenders and the Holder AHG (which, for the avoidance of doubt, shall include (i) Stikeman Elliott LLP, as counsel to the Senior Lenders, (ii) Paul, Weiss, Rifkind, Wharton & Garrison LLP, as special counsel to the Senior Lenders, (iii) a financial advisor to the Senior Lenders, (iv) Akin Gump Strauss Hauer & Feld LLP, as counsel to the Holder AHG, (v) Cassels Brock & Blackwell LLP, as counsel to the Holder AHG and (vi) Houlihan Lokey, as financial advisor to the Holder AHG).

The DIP Lenders agree to provide for approvals in allocations in the Approved Cash Flow Forecast to capital expenditures in connection with the Steensby Expansion or any additional exploration costs at such time as the Borrowers have (i) obtained one or more bona fide, binding, irrevocable bids in the SISF that provide for (A) the repayment in full in cash of the DIP Facility and the obligations under the Senior Credit Agreement and the Senior Secured Notes on or prior to the closing of such sale transaction, and (B) the consent of such bidder(s) to pursue the Steensby Expansion and further exploration, with a plan for execution which is reasonably acceptable to the Required DIP Lenders; (ii) submitted to the DIP Lenders supporting plans including engineering, design and operations acceptable to the Required DIP Lenders; and (iii) liquidity which is reasonably acceptable to the Required DIP Lenders; *provided, however*, that the approval of the Supermajority DIP Lenders shall be required with respect to allocations of more than \$95 million to the Steensby Expansion or exploration in any Updated Cash Flow Forecast (the “**Supermajority DIP Lender Budget Consent Right**”).

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

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

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

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

- (b) all reasonable and documented third-party expenses payable to the DIP Agent, the DIP Lenders and the Fronting Lender hereunder will be paid from the proceeds of the Initial Advance on the date of the Initial Advance; and
- (c) the DIP Lenders shall have received an Advance Notice in accordance with the terms hereof;
- (d) no Default or Event of Default shall have occurred and be continuing or will occur as a result of the Initial Advance;
- (e) the DIP Agent and the Required DIP Lenders shall be satisfied that there are no Encumbrances on the Collateral ranking in priority to or *pari passu* with the DIP Charge other than as expressly permitted by the terms hereof;
- (f) the Obligors shall have delivered to the DIP Agent customary officer's certificates and authorizing directors' resolutions, in form and substance satisfactory to the Required DIP Lenders; and
- (g) the Borrowers shall have provided to the DIP Agent and the Required DIP Lenders a list of all material licences and permits required for the continued operation of the Business into the foreseeable future, including their current status, renewal and such other material items related thereto (the "**Material Licences and Permits Schedule**").

16. **Conditions
Precedent to
Advances of
the Loan
Amount (other
than the Initial
Advance):**

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

- (a) the Second Amended and Restated Initial Order shall not have been stayed, amended, modified, reversed, waived, dismissed or appealed (or any such appeal shall have been dismissed with no further appeal therefrom or the applicable appeal periods shall have expired) and no notices of the foregoing shall have been filed, unless otherwise agreed by the Required DIP Lenders, in their sole discretion;
- (b) the Second Amended and Restated Initial Order has not been amended, restated or modified in a manner that materially adversely affects the rights, remedies or interests of the DIP Lenders without the prior written consent of the Required DIP Lenders; *provided* that any such modification which would require

- the consent of a given DIP Lender under section 33 hereof be subject to such DIP Lenders' consent;
- (c) the DIP Lenders shall have received an Advance Notice in accordance with the terms hereof;
 - (d) all reasonable and documented third-party expenses payable to the DIP Agent, the DIP Lenders and the Fronting Lender hereunder have been paid or will be paid from the proceeds of the requested Advance on the date of the applicable Advance;
 - (e) there shall be no Encumbrances on the Collateral ranking in priority to or *pari passu* with the DIP Charge other than as expressly permitted by the terms hereof;
 - (f) no Default or Event of Default shall have occurred and be continuing or will occur as a result of the requested Advance;
 - (g) the Obligors shall be in compliance in all material respects with all covenants and obligations contained in this Agreement;
 - (h) an updated Approved Cash Flow Forecast has been agreed to between the Borrowers and the Required DIP Lenders (subject to the Supermajority DIP Lender Budget Consent Right), and the Borrowers are in compliance with the current Approved Cash Flow Forecast (subject to Permitted Variances) as at the date of the proposed Advance;
 - (i) the Obligors shall be in compliance with the SISP Milestones;
 - (j) the Borrowers shall have delivered to the DIP Agent and the Required DIP Lenders, in the Advance Notice (or in a supplemental certificate executed by an officer of the Borrowers and delivered concurrently therewith), either (i) an updated Material Licences and Permits Schedule reflecting any additions, deletions, lapses, suspensions, revocations or changes in status to any of the items listed therein since the date of the most recent Material Licences and Permits Schedule delivered to the Required DIP Lenders, or (ii) a certification that the most recent Material Licences and Permits Schedule delivered to the Required DIP Lenders remains true and correct in all material respects as of the date of the requested Advance; and
 - (k) all conditions precedent in section 15 immediately above in this Agreement shall have been and continue to be satisfied on the date of such Advance.

17. **DIP Charge:** All of the obligations of the Obligors under or in connection with the DIP Facility, including without limitation, all principal, interest, fees and amounts owing in respect of reasonable and documented third-party expenses of the DIP Agent, the DIP Lenders and the Fronting Lender (collectively, the "**DIP Obligations**"), shall be secured by a Court-ordered charge on the Collateral in favour of the DIP Agent, for the benefit of the DIP Lenders (the "**DIP Charge**").

The DIP Charge shall rank ahead of any and all Encumbrances on the Collateral other than the administration charge not exceeding \$5.0 million, to be granted by the Court and the directors and officers charge not exceeding \$20.4 million, to be granted by the Court (collectively, the "**Priority Charges**"). All Collateral will be free and clear of all Encumbrances, except for Permitted Liens.

18. **DIP Security:** The Guarantors hereby guarantee in favour of the DIP Agent, for the benefit of the DIP Lenders, the payment and performance of the DIP Obligations of the Borrowers pursuant to the terms set forth in Schedule C hereto.
- The DIP Lenders shall be permitted to request DIP Security (in form and substance reasonably satisfactory to the Required DIP Lender) from the Obligors at any time. The DIP Security shall continue as a first priority Encumbrance on the Collateral in favour of the DIP Agent, for the benefit of the DIP Lenders, subject to subordination only in respect of the Priority Charges and Priority Payables. For greater certainty, the delivery of DIP Security shall not be a condition precedent to the Initial Advance or any other advances of the Loan Amount as set out in sections 15 and 16.
19. **Hedging Obligations** Notwithstanding anything herein to the contrary, Hedging Obligations owing to any DIP Lender may be secured by liens which are equal in priority to the DIP Security.
20. **Borrowers' Account:** Advances shall be deposited into a bank account to be designated by the Borrowers (the "**Borrowers' Account**") and utilized by the Borrowers in accordance with the terms of this Agreement. At the request of the DIP Lenders, the Borrowers shall put in place a blocked account agreement in favour of the DIP Agent (for the benefit of the DIP Lenders) thereon on such terms as are acceptable to the Required DIP Lenders, in their discretion.
21. **Repayment and Maturity Date:** All DIP Obligations shall be due and payable on the earliest of the occurrence of any of the following:
- (a) conversion of the CCAA Proceeding into a proceeding under the *Bankruptcy and Insolvency Act* (Canada);
 - (b) the occurrence of an Event of Default and a demand for payment by the DIP Agent (at the request of the Required DIP Lenders);
 - (c) the closing of a Restructuring Transaction or combination of Restructuring Transactions; or
 - (d) the date that is twelve (12) months after the date of this Agreement, subject to the extensions set forth below (the "**Stated Maturity Date**")
- (such earliest date, the "**Maturity Date**").

The Stated Maturity Date may be extended two times by the Borrowers for up to three (3) months each time, provided that (i) the Borrowers deliver a written extension request to the DIP Agent not less than ten (10) days prior to the then applicable Stated Maturity Date, (ii) no Default or Event of Default exists on the then applicable Stated Maturity Date, (iii) the Borrowers shall have paid an extension fee on the date of each such extension equal to two percent (2%) of the DIP Loans outstanding at such time, payable in-kind on the date of such extension to the DIP Agent on behalf of the DIP Lenders on a pro rata basis and capitalized on the principal amount of the DIP Loans as of such date and (iv) the Borrowers shall have provided to the DIP Agent and the DIP Lenders an Updated Cash Flow Forecast as approved by the Monitor and which shall be in form and substance satisfactory to the Required DIP Lenders (subject to the Supermajority DIP Lender Budget Consent Right) in their sole discretion, through and including the date to which the Stated Maturity Date is extended.

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

22. Payments:

All payments of principal, interest and expenses hereunder, if applicable, shall be made for value in the full amount due at or before 12:00 noon on the day such amount is due by deposit or transfer thereof to the DIP Agent or as the DIP Lenders may direct. Payments received after such time shall be deemed to have been made on the next following Business Day. If any payment is due on a day which is not a Business Day, such payment shall be due on the next following Business Day and interest shall accrue until but excluding the actual date of payment. Each payment to be made by the Borrowers under this Agreement shall be made in full without deduction, set-off or counterclaim of any kind or for any reason. If any expenses incurred by the Borrowers after the date of this Agreement are not paid by the Borrowers, the DIP Agent may, but shall have no duty to do so, pay all such expenses whereupon such amounts shall be added to and form part of the DIP Obligations and shall reduce the availability under the DIP Facility. Unless otherwise consented to in writing by the Required DIP Lenders, the net cash proceeds of any sale, realization or disposition of, or with respect to, any of the Collateral (including obsolete, excess or worn-out Collateral) out of the ordinary course of business, any cash or other proceeds received out of the ordinary course of business, or any insurance proceeds paid to the Borrowers in respect of such Collateral, shall be paid to the DIP Agent (for the benefit of the DIP Lenders) and applied to reduce the DIP Obligations (for greater certainty, net of transaction fees and applicable Taxes in respect thereof). Any amounts repaid may not be reborrowed.

23. **Indemnity:** The Obligors agree to indemnify and hold harmless the DIP Agent, the DIP Lenders, the Fronting Lender and their respective Affiliates, partners and officers, directors, employees, representatives, advisors, solicitors and agents (collectively, the "**Indemnified Persons**") from and against any and all actions, lawsuits, proceedings (including any investigations or inquiries), claims, losses, damages, liabilities or reasonable and documented third-party expenses of any kind or nature whatsoever which may be incurred by any of the Indemnified Persons (collectively, the "**Claims**") as a result of, in connection with or in any way related to the DIP Facility, the priority of the DIP Charge, the proposed or actual use of the proceeds of the DIP Facility or this Agreement; provided, however, that the Obligors shall not be obligated to indemnify pursuant to this paragraph any Indemnified Person against any Claim (a) to the extent it resulted from the gross negligence, wilful misconduct or bad faith of any Indemnified Person as finally determined by a court of competent jurisdiction, or (b) to the extent arising from any dispute solely among Indemnified Persons other than any Claims arising out of any act or omission on the part of the Obligors. Notwithstanding anything to the contrary herein, the indemnities granted under this Agreement shall survive any termination of the DIP Facility.
24. **Representations and Warranties:** Each Obligor represents and warrants to the DIP Agent and DIP Lenders, upon which the DIP Agent and each of the DIP Lenders has relied in entering into this Agreement that:
- (a) such Obligor is validly formed and existing under the laws of its jurisdiction of incorporation or formation;
 - (b) such Obligor has the power and capacity, and the legal right, to own or lease and operate its property, to carry on its business as now conducted and as proposed to be conducted, and subject to Court approval of this Agreement, to enter into, execute, deliver and perform its obligations under this Agreement;
 - (c) such Obligor has taken all necessary action to authorize the execution, delivery and performance of this Agreement. Subject to the issuance of the Initial Order, Amended and Restated Initial Order or Second Amended and Restated Initial Order, as applicable, and the terms thereof, no consent or authorization of, filing with, notice to or other act by, or in respect of, any governmental authority or any other person is required in connection with the extensions of credit hereunder or with the execution, delivery, performance, validity or enforceability of this Agreement;
 - (d) this Agreement and the transactions contemplated by this Agreement:
 - (i) are within the powers of such Obligor and, subject to the granting of the Second Amended and Restated Initial Order, as applicable, constitute legal, valid and binding obligations of

such Obligor, enforceable against it in accordance with the terms hereof;

- (ii) have been duly authorized, executed and delivered by or on behalf of such Obligor; and
- (iii) subject to the granting of the Second Amended and Restated Initial Order, as applicable, do not and will not conflict with, contravene, violate or result in a breach of: (A) any of the terms or provisions of such Obligor's constating documents or by-laws, (B) any material contracts or instruments to which such Obligor is a party or pursuant to which any of its assets or property may be affected or (c) any applicable Law;
- (e) the Business of such Obligor has been and will continue to be conducted in material compliance with all applicable Laws of each jurisdiction in which the Business has been or is being carried on subject to the provisions of the CCAA and any Court order made after the date of the Initial Order;
- (f) such Obligor and its properties and businesses comply in all material respects, and the use of its properties comply in all material respects, with all applicable environmental laws; such Obligor has no knowledge of any facts which result in, or constitute, or are likely to give rise to, non-compliance with any environmental laws in any material respect;
- (g) such Obligor owns, leases or has the lawful right to use all of the material properties and undertaking necessary for the conduct of the business of such Obligor;
- (h) such Obligor has obtained any material Authorizations for the operation of the Business, which Authorizations remain, and after entering into the DIP Facility will remain, in full force and effect. No proceedings have been commenced to revoke or amend any such Authorizations;
- (i) such Obligor does not have any defined benefit pension plans or similar plans and is in material compliance with all applicable Law respecting its employees' employment and all collective bargaining agreements to which it is a party or otherwise bound;
- (j) except as otherwise disclosed to the DIP Lenders in writing prior to the date hereof, such Obligor is current on its payment obligations for rent and other occupancy costs and expenses in respect of any premises that it leases;
- (k) all of such Obligor's obligations (including fiduciary, funding, investment and administrative obligations, if any) required to be performed in connection with such Obligor's employee benefit plans have been performed on a timely basis;
- (l) such Obligor has filed all Tax returns which were required to be filed and paid all Taxes (including interest and penalties) which are due and payable;

- (m) such Obligor and each of its subsidiaries has good and valid title to, or legally binding property right in, or valid leasehold interests in, all real property necessary or used in the ordinary conduct of its business, in each case free and clear of all Liens other than those liens permitted by section 4.10 of the Indenture (as same exists on the date of this Agreement) and except for minor defects in title as could not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the operations, financial condition, and/or future prospects of the Obligors taken as a whole
- (n) all information provided by or on behalf of such Obligor to the DIP Lenders for the purposes of or in connection with this Agreement or any transaction contemplated herein is, true and accurate in all material respects on the date as of which such information was provided, not incomplete and does not omit to state any fact necessary to make such information (taken as a whole) not materially misleading at such time, in light of the circumstances under which such information was provided; and
- (o) none of the Obligors owns or controls, directly or indirectly, any subsidiaries which are not Obligors.
- (p) each Obligor maintains adequate insurance coverage, as is customary with companies in the same or similar business of such type, in such amounts and against such risks as is prudent for a business of its nature with financially sound and reputable insurers and that contain reasonable coverage and scope;
- (q) except for those defaults which are stayed by the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order and as disclosed to the DIP Lenders in writing, all Material Contracts are in full force and effect and are valid, binding and enforceable in accordance with their terms, and the Obligors do not have any knowledge of any default that has occurred and is continuing thereunder (other than those defaults arising as a result of or relating to the insolvency of the Obligors or any of their affiliates or the commencement of the CCAA Proceeding);
- (r) except as disclosed to the DIP Lenders in writing by the Obligors, there are no agreements of any kind (i) between the Obligors and any other third party or any holder of debt or Equity Securities of the Obligors with respect to any Restructuring Transaction, which remain in force and effect as of the date hereof, or (ii) between the Borrowers and any related party;
- (s) other than as stayed pursuant to the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order, there is not now pending or, to the knowledge of any of the senior officers of the Obligors, threatened against the Obligors, nor has any Obligor received notice in respect of, any material claim, potential claim, litigation, action, suit, arbitration or other

proceeding by or before any court, tribunal, governmental entity or regulatory body;

- (t) each Obligor has maintained and paid current its obligations, as applicable, for payroll, source deductions, harmonized, goods and services and retail sales tax, and is not in arrears of its statutory obligations to pay or remit any amount in respect of these obligations;
- (u) the Obligors have valid leasehold interests in all leases, subleases or assignments of leases, and each such lease is in full force and effect, and the Obligors do not have knowledge of any default that has occurred (other than in connection with the CCAA Proceeding);
- (v) the Borrowers have not taken or omitted to take any action that could materially impact their continued operations, including (i) failing to procure any essential products needed before the shipping window closes, (ii) ceasing their mining operations, or (iii) reducing their workforce;
- (w) any information provided by the Borrowers to the DIP Agent and the DIP Lenders on the status of the SISF, the Steensby Railway project and related financing process (the “**Steensby Expansion**”) to date, including any reporting required pursuant hereto, is accurate and complete, and the Obligors have disclosed all material information in respect of such processes to the DIP Agent and the DIP Lenders; and
- (x) no Default or Event of Default has occurred and is continuing.

25. **Affirmative Covenants:**

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

- (a) submit to the Court the Second Amended and Restated Initial Order, and any other Court orders which are being sought by the Obligor in a form confirmed in advance to be satisfactory to the Required DIP Lenders subject to any amendments that are required by the Court or the Obligors that are acceptable to the Required DIP Lenders;
- (b) comply with the provisions of all Court orders made in the CCAA Proceeding, including the Initial Order, Amended and Restated Initial Order and the Second Amended and Restated Initial Order;
- (c) allow each of the DIP Agent, DIP Lenders and their respective employees, agents, advisors and representatives access to all collateral, information and documentation of the Obligors, to visit, inspect and conduct examinations of any of such collateral, information and documentation (including any books and records) and discuss its business operations, properties and financial and other conditions with its officers, employees and independent

public accountants, in each case, as may be reasonably requested by the DIP Agent or Required DIP Lenders, during normal business hours, in each case subject to applicable privacy laws and solicitor-client privilege;

- (d) upon the reasonable request of the Required DIP Lenders, provide updates regarding the status of the CCAA Proceeding, including any information which may otherwise be confidential, subject to same being maintained as confidential by the DIP Lenders;
- (e) preserve, renew, maintain and keep in full force its corporate existence and its Authorizations required in respect of the Business or any of the Collateral;
- (f) keep the DIP Lenders apprised on a timely basis of all material developments with respect to the Business and affairs of the Obligors;
- (g) conduct the Business and preserve, protect and maintain the Collateral in the ordinary course of Business;
- (h) operate and maintain its respective properties and businesses in accordance with industry practice and in accordance with applicable law and all Court orders made in the CCAA Proceeding, including the Initial Order, Amended and Restated Initial Order and the Second Amended and Restated Initial Order;
- (i) maintain in full force all policies and contracts of insurance that are now in effect (or renewals thereof) under which the Obligor, the Business or any of the Collateral is insured;
- (j) except to the extent otherwise agreed by the Required DIP Lenders (acting reasonably), pay all applicable Priority Payables and all other amounts necessary to preserve the Collateral to avoid any Encumbrance thereon and to carry on the business of each Obligor;
- (k) promptly notify the DIP Lenders of the occurrence of any Default or Event of Default or of any event or circumstance which could reasonably be expected to result in a material adverse change to the Approved Cash Flow Forecast;
- (l) comply in all material respects with all applicable Laws, rules and regulations applicable to its business, including environmental laws;
- (m) deliver to the DIP Agent the reporting and other information from time to time reasonably requested by the DIP Agent or the Required DIP Lenders, and any other information pertaining to the business and affairs of the Obligors as reasonably requested by the DIP Agent or any DIP Lender;
- (n) use the proceeds of the DIP Facility in a manner consistent with the restrictions set out herein and in all cases in accordance with

the Approved Cash Flow Forecast (subject to Permitted Variances);

- (o) duly and punctually pay or cause to be paid to the DIP Agent on behalf of the DIP Lenders all principal, interest, fees and other amounts payable by it under this Agreement on the dates, at the places and in the amounts set forth herein;
- (p) authorize the Monitor to (i) meet and communicate with the DIP Agent and DIP Lenders and (ii) provide regular reports to the DIP Agent and DIP Lenders with respect to the DIP Facility and the CCAA Proceeding;
- (q) comply at all times with the SISP Milestones;
- (r) on or prior to 5:00 p.m. (Toronto time) on the Monday of every second calendar week beginning after the date of this Agreement (each, a “**Testing Period**”), the Obligors shall have delivered to the DIP Agent and DIP Lenders (x) an Updated Cash Flow Forecast that is satisfactory to the Required DIP Lenders (subject to the Supermajority DIP Lender Budget Consent Right) and (y) a Variance Report;
- (s) the Obligors shall have delivered to the DIP Lenders a business plan that is in form and substance satisfactory to the Required DIP Lenders by no later than the date that is three (3) months after the issuance of the Initial Order; and
- (t) On or prior to June 5, 2026 (or such later date as may be agreed to by the Borrowers and the Required DIP Lenders), the Obligors shall have entered into a key employee retention plan and/or a key employee incentive plan in form and substance acceptable to the Required DIP Lenders.
- (u) at all times maintain adequate insurance coverage of such kind and in such amounts and against such risks as is customary for the business of the Obligors with financially sound and reputable insurers in coverage and scope acceptable to the Required DIP Lenders, acting reasonably, and, if requested by the Required DIP Lenders, cause the DIP Agent to be listed as the loss payee or additional insured (as applicable) on such insurance policies and notify the DIP Lenders of any claims or losses exceeding \$1,000,000. The Approved Cash Flow Forecast shall permit funding sufficient to pay the premiums in respect of such insurance;
- (v) provide the DIP Agent, the DIP Lenders and their counsel with draft copies of, and the opportunity to comment on, all motions, applications, proposed Court orders and other materials or documents that the Obligors intend to file in the CCAA Proceeding at least five (5) Business Days prior to any such filing or, where it is not practically possible to do so within such time, as soon as possible prior to the date on which such motion, application,

proposed Court order or other material or document is served on the service list in respect of the CCAA Proceeding;

- (w) promptly provide notice to the DIP Agent, the DIP Lenders and their counsel, and keep them otherwise apprised, of any material developments in respect of any Material Contract, and of any material notices, orders, decisions, letters, or other documents, materials, information or correspondence received from any regulatory authority having jurisdiction over any Obligor, subject to any disclosure restrictions contained in any Court order or that, in the opinion of the Obligors (in consultation with the Monitor), each acting reasonably, are necessary to protect the Borrowers' restructuring process;
- (x) promptly upon becoming aware thereof, provide details of any pending, or threatened claims, potential claims, litigation, actions, suits, arbitrations, other proceedings or notices received in respect of same, against any Obligor by or before any court, tribunal, Governmental Authority or regulatory body, which would be reasonably likely to result, individually or in the aggregate, in a judgment in excess of \$1,000,000;
- (y) take all commercially reasonable actions necessary or available to defend the Court orders from any appeal, reversal, modification, amendment, stay or vacating not expressly consented to in writing in advance by the Required DIP Lenders relating to the DIP Facility or the DIP Charge;
- (z) continue business operations in the ordinary course ensuring full utilization of the shipping window, including (i) ensuring fuel and other necessary products for operations are secured for continued operations and (ii) shipping out all ready-to-ship product for sale; and the Borrowers will not materially change employee head count or staffing requirements except as may be needed to optimize cost structure and operations subject to the Approved Cash Flow Forecast and the prior written consent of the Required DIP Lenders;
- (aa) maintain and take all action to ensure all material licences and permits required for the foreseeable operation of its business that may be required will be acquired, procured, or otherwise obtained and remain in full force and effect; the Borrowers shall defend each against revocation or amendment thereof; and the Borrowers, upon request of the Required DIP Lenders, will take all action as may be needed to obtain and preserve the permit to allow for the transportation of up to 6 million tonnes per annum of ore;
- (bb) maintain in good repair, working order and condition all material properties and assets used or useful in the business of the Borrowers and make all such appropriate repairs thereto;

- (cc) take all commercially reasonable efforts to disclaim all contracts that are not within the Approved Cash Flow Forecast;
- (dd) act diligently and in good faith in the pursuit of the CCAA Proceeding;
- (ee) establish a risk management program for all business variables that can reasonably affect business operations in consultation with the Required DIP Lenders, and the DIP Lenders shall have a right of first refusal on any Hedging Obligations; and
- (ff) execute and deliver such loan and security documentation as may be reasonably requested by the DIP Agent or the Required DIP Lenders from time to time;
- (gg) provide the DIP Agent and DIP Lenders and their advisors from time to time, on a confidential basis, with such information regarding the progress of the Obligors' pursuit of a Restructuring Transaction and the Steensby Expansion as may be reasonably requested by the Required DIP Lenders, subject to any disclosure restrictions contained in any Court order, or that, in the opinion of the Obligors (in consultation with the Monitor), each acting reasonably, are necessary to protect the Borrowers' restructuring process; and
- (hh) promptly pay all DIP Lender Expenses no less frequently than every two weeks, provided that the DIP Lenders shall use commercially reasonable efforts to provide reasonable estimates of such expenses for purposes of the Approved Cash Flow Forecast.

26. **Negative Covenants:**

Each Obligor covenants and agrees not to do the following, other than with the prior written consent of the Required DIP Lenders from and after the date hereof:

- (a) make any payment of principal or interest in respect of Indebtedness other than with respect to the DIP Obligations or otherwise provided herein or declare or pay any dividends or make any other distribution, in each case, except as expressly provided for in the Approved Cash Flow Forecast;
- (b) except as set forth in any Court order that is acceptable to the Required DIP Lenders, incur or permit to exist any Indebtedness (including, without limitation, any capital lease obligation, equipment lease or financing lease obligation), or provide or seek or support a motion by another party to provide such Indebtedness;
- (c) except as set forth in any Court order that is acceptable to the Required DIP Lenders, create, permit to exist any Encumbrance, or provide or seek or support a motion by another party to provide an Encumbrance, upon any Collateral;

- (d) create or permit to exist any Liens on any of its properties or assets other than the Permitted Liens;
- (e) make any payments or use any monies (including, without limitation, proceeds of the DIP Facility) outside of the ordinary course of Business, unless provided for in the Approved Cash Flow Forecast (subject to Permitted Variances);
- (f) make any investments in, acquisitions of or loans to or guarantee the Indebtedness or obligations of any other Person, entity or assets, except as expressly provided for in the Approved Cash Flow Forecast;
- (g) enter into or continue performance under any transaction with any affiliate or any of its or its affiliates' respective direct or indirect equity holders, senior officers, directors, managers or employees, except in the ordinary course of business for a bona fide business purpose and not for any other purpose, except as expressly provided for in Approved Cash Flow Forecast
- (h) enter into or continue performance under any transaction which does not provide for fair and reasonable terms which are no less favorable than those that would be obtained in arm's-length transactions of a similar type;
- (i) notwithstanding anything in the Initial Cash Flow Forecast or any Approved Cash Flow Forecast, make any type of payment, or otherwise satisfy any claim, to any direct or indirect shareholder of the Borrowers arising under or related to any royalty agreement;
- (j) make any type of payment, or otherwise satisfy any claim, purported claim, liability, or other obligation, including without limitation of any pre-CCAA filing claim, that is not expressly provided for by the Approved Cash Flow Forecast (subject to Permitted Variances);
- (k) change its jurisdiction of incorporation or registered office;
- (l) change its name, fiscal year end or accounting policies or amend its organizational documents;
- (m) cease to carry on the Business as currently being conducted or materially change its operations or business practices;
- (n) sell, assign, lease, convey or otherwise dispose of or transfer any of its property, assets or undertakings, except as may be approved by the Court with the prior written consent of the Required DIP Lenders;
- (o) except as otherwise contemplated in any Court order and approved by the Required DIP Lenders or as expressly contemplated by the Approved Cash Flow Forecast, establish or make any retention or bonus payments, increase compensation or severance entitlements or other benefits payable to directors,

senior officers or senior management, or pay any bonuses whatsoever;

- (p) enter into any settlement agreement or agree to any settlement arrangements with any regulatory authority or in connection with any material litigation, arbitration, other investigations, proceedings or disputes or other similar proceedings which are threatened or pending against the Obligor;
- (q) enter into any amalgamation, reorganization, liquidation, dissolution, winding-up, merger or other similar transaction or series of transactions, allow any change of control to occur, or create or acquire any new subsidiary or become a general partner in any partnership;
- (r) amend, supplement, revoke, terminate or discharge or seek to amend, supplement, revoke, terminate or discharge, the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order, except to amend and restate the Initial Order as may be permitted by this Agreement;
- (s) apply for or consent to, any Court order, or amendment or modification to an existing Court order which adversely affects or could reasonably be expected to adversely affect the DIP Agent or the DIP Lenders;
- (t) file or support the confirmation of any plan of arrangement or liquidation, in each case, that treats the DIP Obligations as "affected" without the consent of the Required DIP Lenders;
- (u) (i) enter into any material transaction or material agreements or (ii) amend or modify any existing agreements or transaction terms, in each case, including royalty agreements, Alternative Offtake and Service Agreements, or similar agreements, without the consent of the Required DIP Lenders;
- (v) satisfy the delivery or other performance obligations and/or payment obligations under its contracts with Glencore plc or any of its affiliates, including, without limitation, any obligations to process or deliver iron ore;
- (w) take (or omit to take) any action to the extent such action could reasonably be expected to materially impair or otherwise adversely affect the ability of the Obligors to utilize any net operating losses, tax credit carry-forwards, built-in losses, basis, deductions or other tax attributes or benefit, in each case, without the prior written consent of the Required DIP Lenders;
- (x) issue any Equity Securities, create any new class of Equity Securities, amend any terms of its existing Equity Securities, or consent to or take any steps in furtherance of the exercise of any conversion right under any Equity Securities issued by it, other than in connection with a Restructuring Transaction approved pursuant to a Court order;

- (y) seek, obtain, support, make or permit to be made any Court order or any change, amendment or modification to any Court order that would materially affect the rights or protections of the DIP Agent or the DIP Lenders under or in connection with the DIP Facility or the DIP Charge, except with the prior written consent of the Required DIP Lenders, in their sole discretion;
- (z) seek or consent to the lifting of the stay of proceedings in the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order, as applicable, in favour of the Borrowers, or seek or consent to the appointment of a receiver or trustee in bankruptcy or any similar official in any jurisdiction;
- (aa) make any changes to the composition of the board of directors of the Borrowers (including the addition, removal or replacement of directors, other than a resignation by a director), other than pursuant to a Court order and with the Required DIP Lenders' approval (in their sole discretion);
- (bb) negotiate or enter into any other interim financing facility; or
- (cc) pay any professional or advisory fees (including any legal fees or expenses) of any other Person (other than the Borrowers, the DIP Agent, the DIP Lenders and the Monitor) that are not provided for in the Approved Cash Flow Forecast, except pursuant to the terms of a binding support agreement with such Person with respect to a Restructuring Transaction that is acceptable to the Required DIP Lenders, or as may otherwise be agreed to by the Required DIP Lenders and the Borrowers (in consultation with the Monitor).

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

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

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

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

28. **Events of Default:**

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

- (a) any Court order is issued, dismissed, stayed, reversed, vacated, amended or restated and such issuance, dismissal, stay, reversal, vacating, amendment or restatement which (i) stays, reverses, vacates or otherwise modifies this Agreement or (ii) adversely affects or would reasonably be expected to adversely affect the interest of the DIP Agent or DIP Lenders in a material manner, unless the DIP Agent or Required DIP Lenders, as applicable, have given their prior written consent thereto, including the issuance of a Court order:
 - (i) appointing a receiver and manager, receiver, interim receiver or similar official in respect of an Obligor;
 - (ii) terminating, lifting or amending the stay imposed within the CCAA Proceeding in a manner which, in the opinion of the Required DIP Lenders, acting reasonably, is materially prejudicial to the DIP Lenders;
 - (iii) granting any other claim or Encumbrance of equal or priority status to that of the DIP Charge, other than the Priority Charges or the Priority Payables; or
 - (iv) prejudicially affecting the DIP Agent, DIP Lenders or the Collateral;
- (b) failure of an Obligor to diligently oppose any party that brings an application or motion for any of the relief set out in subsection 27(a) above and/or the failure to secure the dismissal of such motion or application within 30 days from the date that such application or motion is brought (provided no affirmative Court order is issued on such motion or application during such period);
- (c) the CCAA Proceeding is terminated or converted to bankruptcy proceedings;
- (d) failure of the Borrowers to pay (i) principal, interest or other amounts when due pursuant to this Agreement or any other document entered into in connection herewith, or (ii) any reasonable and documented third-party expenses payable to the DIP Agent, the DIP Lenders or the Fronting Lender within two (2) Business Days of being invoiced therefor, and such failure, in the

case of each of items (i) and (ii), remains unremedied for more than two (2) Business Days;

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

- (n) a default (other than a default resulting from the insolvency of the Borrowers or the commencement of the CCAA Proceeding by the Borrowers, including, for greater certainty, as a result of failure to pay pre-filing amounts as a result of the commencement of the CCAA Proceeding) under any Material Contract, or any material amendment of any Material Contract unless agreed to by the Required DIP Lenders in writing;
- (o) any change of control of any one or more of the Obligors without the consent of the Required DIP Lenders;
- (p) any Authorization issued to any Obligor is terminated, revoked, or suspended and such termination, revocation, or suspension has or could reasonably be expected to have a material adverse on the operations, financial condition, and/or future prospects of the Obligors taken as a whole;
- (q) any Obligor does not comply with any term or condition of the SISP, including without limitation not satisfying any milestone action required to be completed in the SISP by the date on which such milestone action item is required to be completed under the SISP and remaining in compliance with such action item thereafter, as applicable;
- (r) the priority of the Liens as contemplated hereby created pursuant to or under the DIP Security in favor of the DIP Agent for the benefit of the DIP Lenders is varied without the consent of the DIP Agent at the direction of the DIP Lenders or any of such Liens does not have the priority required hereunder for any reason in any jurisdiction;
- (s) any Obligor commences an action or any other proceeding in any proceeding or in any other court (i) to obtain any form of relief against the DIP Agent or DIP Lenders (or any one or more of them) including without limitation a proceeding to recover damages from the DIP Agent or the DIP Lenders or to obtain payment of any amounts purported to be owing by the DIP Agent or the DIP Lenders (or any one or more of them) to any Obligor if the DIP Agent or the DIP Lenders (or any one or more of them) disputes any of the same or (ii) to challenge in any way the enforceability of this Agreement or any document entered in connection herewith or the Liens granted under or pursuant to the DIP Security;
- (t) any Obligor seeks, or consents to, any amendment of the SISP without the prior written consent of the DIP Agent at the direction of the Supermajority DIP Lenders;
- (u) the expiry without further extension of the stay of proceedings in the CCAA Proceeding;
- (v) the denial or purported repudiation by any Obligor of the legality, validity, binding nature, or enforceability of this Agreement or any document entered into in connection herewith, or any Obligor

- commencing any action or proceeding in any proceeding for a declaration or order to such effect;
- (w) this Agreement or any other document entered into in connection herewith (and for certainty including without limitation the DIP Security) ceases to be enforceable;
 - (x) except as stayed by order of the Court, the entry of one or more final judgements, writs of execution, garnishments or attachments representing a claim or claims in excess of \$100,000 or the equivalent amount thereof in any other currency, in the aggregate, against any Obligor or the property and assets of any Obligor which are subject to the Liens in favor of the DIP Agent for the benefit of the DIP Lenders that is not released, bonded, satisfied, discharged, vacated, stayed or accepted for payment by an insurer within 30 days after its or their entry, commencement or levy;
 - (y) any Obligor shall enter into or become liable under any other debtor-in-possession financing facility;
 - (z) any Obligor shall incorporate, create, or organize any new subsidiaries after the date of this Agreement; or
 - (aa) (i) any changes by any Obligor to the composition of its board of directors or (ii) any Obligor retains or appoints a chief restructuring officer or Person in a similar role , in each case without the prior consent of the Required DIP Lenders or a Court order.
 - (bb) (i) a Variance Report or Updated Cash Flow Forecast is not delivered within two (2) Business Days of the day on which such Variance Report or Updated Cash Flow Forecast is required to be delivered pursuant to this Agreement, or (ii) there shall exist a cumulative negative variance in excess of the Permitted Variance for the period from the date of the Initial Order to the last day of the applicable testing period, measured relative to the Approved Cash Flow Forecast then in effect; or
 - (cc) any Court order is issued pointing a chief restructuring advisor or similar role, or expending the role of the Monitor, in each case, without the consent of the Required DIP Lenders.

29. **Remedies:**

Upon the occurrence and continuance of an Event of Default, the DIP Agent (acting at the direction of the Required DIP Lenders) or the Required DIP Lenders may elect on prior written notice to the Borrowers and the Monitor to:

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

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

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

The DIP Agent (acting at the direction of the Required DIP Lenders) may use (for certainty, on the instructions of the Required DIP Lenders in accordance with the definition thereof and section 33) any or all of the DIP Obligations as a credit bid and/or to pay for some or all of the purchase price (including any deposit payable in connection with such transaction) in connection with (a) any purchase of some or all of the properties and assets of the Borrowers and the Guarantors (or any one or more of them), (b) any Restructuring Transaction agreed to by the Borrowers (in consultation with the Monitor) and the Required DIP Lenders, in each case subject to any Court order and such reasonable terms and conditions as may be required in the opinion of the Borrowers (in consultation with the Monitor), each acting reasonably, to protect the Borrowers' restructuring process.

30. **Taxes:**

All payments by an Obligor under this Agreement, including any payments required to be made from and after the exercise of any remedies available to the DIP Agent and/or the DIP Lenders upon the occurrence and continuance of an Event of Default, shall be made free and clear of, without reduction for or on account of, any present or future Taxes; provided, however, that if any Taxes are required by applicable Law to be withheld ("**Withholding Taxes**") from any amount payable to the DIP Lenders under this Agreement, the amounts so payable to the DIP Lenders shall be increased to the extent necessary to yield to the DIP Lenders on a net basis after payment of all Withholding Taxes, the amount payable hereunder at the rate or in the amount specified hereunder and the Obligors shall provide evidence satisfactory to the Required DIP Lenders that the Taxes have been so withheld and remitted.

If the Borrowers pay an additional amount to the DIP Lenders to account for any Withholding Taxes, the DIP Lenders shall reasonably cooperate with the Borrowers to obtain a refund of the amounts so withheld, including filing income tax returns in applicable jurisdictions, claiming a refund of such Withholding Tax and providing evidence of entitlement to the benefits of any applicable tax treaty. The amount of any refund so received, and interest paid by the tax authority with respect to any refund, shall be paid over by the DIP Lenders to the Borrowers promptly. If reasonably requested by the Borrowers, the DIP Lenders shall apply to the relevant taxing authority to obtain a waiver from such withholding requirement, and the DIP Lenders shall cooperate with the Borrowers and

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

31. **Termination by Borrowers** The Borrowers shall be entitled to terminate this Agreement upon notice to the DIP Lenders at any time following the indefeasible payment in full in immediately available funds of all of the outstanding DIP Obligations. Effective immediately upon such termination, all obligations of the Borrowers and the DIP Lenders under this Agreement shall cease, except for those obligations that explicitly survive termination. For greater certainty, all outstanding DIP Obligations in respect of all Advances funded prior to such termination shall become immediately due and payable concurrently with such termination and the DIP Lenders shall not be required to make any further extensions of credit under this Agreement.
32. **Further Assurances:** The Obligors shall, at their own expense, from time to time do, execute and deliver or will cause to be done, executed and delivered, all such further acts, documents (including, without limitation, certificates, declarations, affidavits, reports and opinions) as the Required DIP Lenders may reasonably request for the purpose of giving effect to this Agreement.
33. **Entire Agreement:** This Agreement constitutes the entire agreement between the parties related to the subject matter hereof. To the extent there is any inconsistency between this Agreement and any other documents entered into in connection herewith, this Agreement shall prevail.
34. **Amendments and Waivers:** No waiver or delay on the part of the DIP Lenders in exercising any right or privilege hereunder will operate as a waiver hereof or thereof unless made in writing and delivered in accordance with the terms of this Agreement.
- All consents, waivers or amendments to or in connection with this Agreement and the DIP Facility and the transactions contemplated hereby or thereby must be in writing and if approved in writing by the DIP Agent at the direction of the Required DIP Lenders shall be binding on all of the DIP Lenders including those Lenders which did not execute any such consent, waiver or amendment; and any matters, documents or other things required to be acceptable or satisfactory to the DIP Lenders are and shall be deemed to be acceptable and satisfactory to all the DIP Lenders if acceptable or satisfactory to the DIP Agent at the direction of the Required DIP Lenders; provided that and for certainty, no consent, waiver or amendment shall be binding on the DIP Lenders unless each of the DIP Lenders executes a consent, waiver or amendment for any of the following matters: (a) increase the amount of any Lender's DIP Facility commitment amount; (b) change to the Maturity Date; (c) postpone or delay the date for payment of any principal, interest or other DIP Obligations; (d) reduce the principal amount owing by the Borrowers or the rate of interest or any other fees applicable to amounts owing or to

become owing hereunder or under the other documents in connection herewith; (e) change the pro rata commitments of any of the DIP Lenders in connection with the DIP Facility; (f) amend this section 33, the definition of "Required DIP Lenders", the definition of "Supermajority DIP Lenders" or any provision providing for consent or other action by all or any specific percentage or portion of the DIP Lenders; (g) discharge any Obligor from its payment obligations under hereunder or under any other document in connection herewith or release any DIP Security except as may be expressly provided for in this Agreement; or (h) amend the terms and conditions of the application of proceeds of any repayments or the sharing of payments; provided further that any consent, amendment, waiver or other modification with respect to this Agreement that would adversely and disproportionately modify the rights of any DIP Lender (in its capacity as such) under the DIP Facility compared to other DIP Lenders shall require the prior written consent of each such affected DIP Lender. Notwithstanding anything to the contrary contained herein, any consent, amendment, waiver or other modification that subordinates, or has the direct or indirect effect of subordinating, (x) any DIP Obligations in right of payment to any other Indebtedness for borrowed money or (y) any Liens securing the DIP Obligations to any Liens securing any other Indebtedness for borrowed money, in each case, shall require the prior written consent of the Supermajority DIP Lenders.

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

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

Facility, in whole or in part, to any Person acceptable to such DIP Lender, in its sole and absolute discretion.

39. **Notices:**

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

in the case of a notice to the Obligors at:

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

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

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

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

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

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

■

Attention: ■
Email: ■

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

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

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

and

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

Attention: Maria Konyukhova; Logan Copen

Email: mkonyukhova@stikeman.com;
lcopen@stikeman.com

and

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

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

and

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

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

In either case, with a copy to the Monitor:
FTI Consulting Canada Inc.

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

With a copy to, which shall not constitute notice:

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

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

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

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

40. **Governing Law and Jurisdiction:** This Agreement shall be governed by, and construed in accordance with, the Laws of the Province of Ontario and the federal Laws of Canada applicable therein.
41. **Definitions:** For the purposes of this Agreement, unless context otherwise requires, the following terms have the respective meanings set out below, and grammatical variations of such terms have corresponding meanings:
- "**Advance**" has the meaning given to that term in section 8;
- "**Advance Notice**" has the meaning given to that term in section 8;
- "**Affiliate**" of any Person means, at the time such determination is being made, any other Person controlling, controlled by or under common control with such first Person, where "control" means the possession, directly or indirectly, of the power to direct the management and policies of such Person, whether through the ownership of voting securities or otherwise;
- "**Agreement**" means this Agreement, including all Schedules, as it may be modified, amended, revised, restated, replaced, supplemented or otherwise changed from time to time and at any time hereafter;
- "**Amended and Restated Initial Order**" means the order of the Court entered on May 25, 2026;
- "**Alternative Offtake and Service Agreements**" means offtake, service or other agreements in respect of the business of the Borrowers;
- "**Approved Cash Flow Forecast**" has the meaning given to that term in section 14;
- "**Authorization**" means, with respect to any Person, any order, permit, approval, consent, waiver, licence or similar authorization of any Governmental Authority related to the Collateral or the Business;
- "**Benefits Agreement**" means the impact benefits agreement between BIM Corp. and the Qikiqtani Inuit Association dated September 6, 2013, as amended on October 22, 2018, and as may be further amended, supplemented or amended and restated from time to time;
- "**Borrowers**" has the meaning given to that term in the recitals;
- "**Borrowers' Account**" has the meaning given to that term in section 19;
- "**Business**" means the business of iron ore mining at the Mary River Mine on Baffin Island in Nunavut, Canada;
- "**Business Day**" means any day other than a Saturday, Sunday or statutory holiday in the Province of Ontario;
- "**CCAA**" has the meaning given to that term in the recitals;
- "**CCAA Proceeding**" has the meaning given to that term in the recitals;
- "**Collateral**" means all now-owned and hereafter-acquired assets and property of the Obligors, real and personal, tangible or intangible and all

proceeds therefrom, including the Borrowers' Account and all assets used in the Business;

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

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

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

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

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

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

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

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

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

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

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

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

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

"EDC" means Export Development Canada;

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

"Encumbrances" means any hypothec, encumbrance, lien, charge, pledge, deposit arrangement, mortgage, title retention agreement, trust, deemed trust, security interest of any nature, easement, encroachment, servitude, restriction on use, right of occupation, any matter capable of

registration against title, option, right of first offer or refusal or similar right, restriction on voting (in the case of any voting or equity interest), right of pre-emption or privilege, or any other arrangement or condition that in substance or effect secures payment or performance of an obligation, or any contract to create any of the foregoing;

"Event of Default" has the meaning given to that term in section 27;

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

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

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

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

"Indebtedness" of any Person means, at any date, without duplication, (a) all obligations of such Person for borrowed money, including by way of overdraft and drafts or orders accepted as representing extensions of credit, (b) all obligations of such Person evidenced by bonds, debentures, the face amount of all letters of credit, letters of guarantee and similar instruments, notes or other similar instruments, (c) all indebtedness, liabilities and obligations secured by an Encumbrance on any asset of such Person, whether or not the same is otherwise indebtedness, liabilities or obligations of such Person, (d) all indebtedness, liabilities and obligations of others which is, directly or indirectly, guaranteed by such Person or which such Person has agreed (contingently or otherwise) to purchase or otherwise acquire, (e) all indebtedness, liabilities and obligations in respect of financial instruments which are classified as a liability on the balance sheet of such Person, and (f) all obligations of such Person to otherwise assure a creditor against loss (for certainty, Hedging Obligations incurred by an Obligor in the ordinary course shall not be considered Indebtedness for purposes of this Agreement);

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

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

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

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

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

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

"Interest Payment Date" has the meaning given to that term in section 14;

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

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

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

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

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

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

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

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

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

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

"Permitted Priority Liens" means (i) the Priority Charges; (ii) any Lien in respect of amounts payable by the Borrowers for wages, vacation pay, employee deductions, sales tax, excise tax, tax payable pursuant to Part IX of the *Excise Tax Act* (Canada) (net of input credits), income tax and workers compensation claims, in each case solely to the extent such amounts are given priority by applicable Law and only to the extent that the priority of such amounts has not been subordinated to the DIP Charge granted by the Court; and (iii) such other Liens existing as of the Filing Date that have not been subordinated to the DIP Charge granted by the Court.

"Permitted Variance" means, for each Testing Period, (A) a negative variance of (i) more than 10.0% of projected receipts for such Testing Period; (ii) more than 10.0% of projected receipts for the cumulative period commencing on the date of the initial Approved Cash Flow Forecast and ending on the last day of such Testing Period; (iii) more than 10.0% of projected disbursements for such Testing Period; and (iv) more

than 10.0% of projected disbursements for the cumulative period commencing on the date of the initial Approved Cash Flow Forecast and ending on the last day of such Testing Period or (B) to the extent any Approved Cash Flow Forecast sets forth a permitted variance with respect to a specific line item, such variance as specified therein.

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

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

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

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

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

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

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

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

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

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

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

"SISP" has the meaning given to that term in section 26;

"SISP Milestones" has the meaning given to that term in section 26;

"Steensby Expansion" has the meaning given to that term in section 23;

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

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

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

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

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

"Variance Report" means a report with calculations in form and substance satisfactory to the Required DIP Lenders and the Monitor acting reasonably setting forth for all Obligor (i) actual receipts and disbursements for the preceding two-week period (each such period, a Testing Period) for each line item in the Approved Cash Flow Forecast for such previous two-week period, and (ii) actual receipts and disbursements on a cumulative basis since the beginning of the period covered by the

then operative Approved Cash Flow Forecast, in each case as against the then operative Approved Cash Flow Forecast, and setting forth all the variances, on a line-item and aggregate basis in comparison to the amounts set forth in respect thereof in the then operative Approved Cash Flow Forecast. Each Variance Report shall include reasonably detailed explanations for any variances for either receipts or disbursements, in each case exceeding five percent (5%) of the Approved Cash Flow Forecast for each line item in the Approved Cash Flow Forecast and all items on a cumulative basis during the relevant period; and

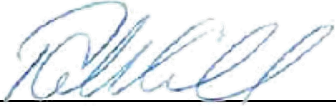
"Withholding Taxes" has the meaning given to that term in section 29.

[Signature page follows]

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

DIP LENDERS:

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

by _____

Patrick Criscillo

Chief Financial Officer

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

DIP LENDERS:

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

by



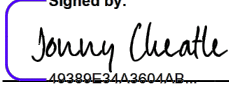
Name: Elizabeth Duggan

Title: Authorized Signatory

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

DIP LENDERS:

**CITADEL ADVISORS LLC ON BEHALF OF ONE
OF MORE FUNDS FOR WHICH IT IS MANAGER
OR PORTFOLIO MANAGER**

Signed by:

By: 40380E34A3604AD...
Jonny Cheatle
Authorized Signatory

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

DIP LENDERS:

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

By _____

OPPS XII BLIM Holdings, L.P.

By: Oaktree Fund GP IIA, LLC

Its: General Partner

By: Oaktree Fund GP II, L.P.

Its: Managing Member

By: David Nicoll _____

Name: David Nicoll

Title: Authorized Signatory

By: Ross Rosenfelt _____

Name: Ross Rosenfelt

Title: Authorized Signatory

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

DIP LENDERS:

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

By  _____
AE077D232204410...

OPPS XII BLIM Holdings, L.P.

By: Oaktree Fund GP IIA, LLC

Its: General Partner

By: Oaktree Fund GP II, L.P.

Its: Managing Member

By: _____

By: _____

SCHEDULE A
DIP FACILITY COMMITMENTS

DIP Lender	DIP Commitment	Notice Information
Brigade Capital Management, LP	\$22,000,000	
Citadel Advisors LLC	\$8,000,000	
Polen Capital Credit, LLC	\$45,000,000	
Opps XII BLIM Holdings, L.P.	\$180,000,000	Oaktree Capital Management 555 South Flor Street, 36 th Floor Los Angeles, CA 90071 Attention: David Nicoll Email: dnicoll@oaktreecapital.com
Hartree Partners, LP	\$45,000,000	Hartree Partners, LP 1185 Avenue of the Americas, New York, NY 10036 Attention: Scott Potolsky Email: HMFI-notices@hartreepartners.com CC: legalNY@hartreepartners.com
Total.....	\$300,000,000	

SCHEDULE B

APPROVED CASH FLOW FORECAST

Illustrative Consolidated Cash Flow Projections

[illegible]

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

Assumptions to the Cash Flow Forecast

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

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

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

SCHEDULE C

LOAN GUARANTY

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

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

(c) No Discharge or Diminishment of Guaranty.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

DIP FACILITY LOAN AGREEMENT

DATED AS OF May ■, 2026

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

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

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

1. **Defined Terms:** A capitalized term not defined in the body of this Agreement has the meaning ascribed to it in the Definitions section below.
2. **Interpretation:** In this Agreement, words signifying the singular number include the plural and *vice versa*, and words signifying gender include all genders. Every use of the word "including" in this Agreement is to be construed as meaning "including, without limitation".

The division of this Agreement into Sections and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement.

References in this Agreement to Sections or Schedules are to be construed as references to a Section or Schedule of or to this Agreement unless the context requires otherwise.
3. **Currency:** Unless otherwise stated, all monetary denominations shall be in lawful currency of the United States of America.
4. **Borrowers:** Baffinland Iron Mines Corporation ("**BIM Corp**") and Baffinland Iron Mines LP ("**Baffin LP**" and, together with BIM Corp, the "**Borrowers**").
5. **Guarantors:** Means Nunavut Iron Ore, Inc. and 12334992 Canada Inc. (collectively, the "**Guarantors**" and collectively with the Borrowers, the "**Obligors**").
6. **DIP ~~Lender~~Lenders:** The institutions described in Schedule A (on behalf of themselves and their affiliates and managed funds) hereby commit to provide the DIP Facility, on a several and not joint basis, in the respective amounts set forth adjacent to each such institution's name in Schedule A upon the terms and conditions set forth in this Agreement (collectively, the "**DIP Lenders**").

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

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

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

7. **DIP Facility:** The DIP ~~Lender agrees~~ Lenders agree to establish in favour of the Borrowers a debtor-in-possession ~~revolving credit~~ delayed draw term loan facility (the “DIP Facility” and, the loans thereunder, the “DIP Loans”) in the principal amount equal to ~~[\$300,000,000]~~ 300 million (the “Loan Amount”).

~~The DIP Facility is a revolving credit facility and, accordingly, amounts Advanced pursuant to Section 8 may be repaid and reborrowed by the Borrowers until the Maturity Date.~~

8. **DIP Advances:** An initial advance under the DIP Facility in the principal amount of ~~[\$25,000,000]~~ 50 million (the “Initial Advance”) shall be made available to the Borrowers and shall be deposited into the Borrowers’ Account (defined below) ~~on~~ within one (1) Business Day after the date of the entry of the Second Amended and Restated Initial Order (defined below), provided the Initial Advance Conditions are satisfied as of such date.

Subsequent advances under the DIP Facility (each, a “Subsequent Advance”) shall be made available to the Borrowers and shall be deposited into the Borrowers’ Account (defined below) every other week (or as otherwise agreed by the Borrowers and the Required DIP Lenders), with each Subsequent Advance being in an amount no less than \$20 million against the Approved Cash Flow Forecast, in each case subject to the satisfaction of the Subsequent Advance Conditions (as defined below). The sum of the Initial Advance and the Subsequent Advances shall not exceed the Loan Amount. The timing and amount of each Subsequent Advance shall be determined based on the funding needs of the Borrowers as set forth in the Approved Cash Flow

Forecast, and Subsequent Advances shall only be available and provided hereunder after the Borrowers have received the entirety of the Initial Advance.

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

~~The DIP Lender~~Each Advance, on behalf of and at the request of each of the DIP Lenders, shall be provided by and funded to the DIP Agent by the Fronting Lender and subsequently assigned to the DIP Lenders pursuant to arrangements agreed by the Fronting Lender and each DIP Lender. The Fronting Lender shall deposit into the Borrowers' Account the amount requested by the Borrowers pursuant to the Advance Notice on the requested date of the Advance; provided that the conditions in section 16 are satisfied as of such date; other in in, net of all fees, costs and expenses to be paid in connection with such Advance pursuant to a funds direction to be delivered prior to the date of such Advance; provided that (x) with respect to the Initial Advance which shall be deposited into the Borrowers' Account on the date of, the Initial Order; provided the Initial Advance Conditions are satisfied as of such date and (y) with respect to each Advance after the Initial Advance, the applicable conditions described in this section 8 and the applicable Subsequent Advance Conditions are satisfied as of such date.

9. **Use of Proceeds:** The proceeds of the DIP Facility shall be used solely by the Borrowers in accordance with the Approved Cash Flow Forecast, which shall include provision for payment, in all respects subject to and to the extent included in the Approved Cash Flow Forecast, of (i) the fees of the Monitor and its counsel and counsel for the Borrowers, (ii) interest, fees (including the Commitment/Funding Fee) and other amounts owing to the DIP ~~Lender~~Lenders under this Agreement, (iii) pre and post-filing expenses payable under to the DIP Lenders or their advisors under the Senior Credit Agreement, the Indenture, or the DIP Facility (including, without limitation, those set forth in section 13) and ordinary course payments for the Borrowers' working capital needs during the CCAA Proceeding, including, post-filing accounts payable in the ordinary course of the Business and Priority Payables, (iv) royalty payments under the Royalty Agreements, and (v) amounts payable under the Benefits Agreement. ~~No, in each case, under clauses (i) through (v), as set forth in the Approved Cash Flow Forecast (subject to Permitted Variances). Without the prior written consent of the Required DIP Lenders (subject to the Supermajority DIP Lender Budget Consent Right), no~~ proceeds may be used ~~for any other purpose except with the~~

~~prior written approval of the DIP Lender, acting reasonably, and no expenditures shall be made, for any purpose that is not included in the Approved Cash Flow Forecast.-~~

10. **Assignment by the Borrowers:** The Borrowers shall not be permitted to assign this Agreement without the prior written consent of ~~the~~each DIP Lender.
11. **Evidence of Indebtedness:** The DIP ~~Lender~~Agent shall maintain a register evidencing Advances and repayments under the DIP Facility and all other amounts owing from time to time hereunder. The DIP ~~Lender~~Agent register constitutes, in the absence of manifest error, *prima facie* evidence of the Indebtedness of the Borrowers to the DIP ~~Lender~~Lenders pursuant to the DIP Facility.
12. **Interest; Fees**

All amounts owing by the Borrowers hereunder to the DIP ~~Lender~~Lenders on account of the principal, overdue interest and expenses shall bear interest at ~~■%~~a rate per annum ~~(the "equal to Adjusted Term SOFR (which, for purposes of this Agreement, shall have the meaning given to such term in the Senior Credit Agreement, treating the DIP Loans as SOFR Loans thereunder and utilizing a one-month Interest Period as set forth below) plus 7.00%, payable entirely in cash on each Interest Payment Date (the "Interest Rate").~~
To the extent permitted by Law, effective upon the occurrence of and during the continuance of an Event of Default, all amounts owing to the DIP ~~Lender~~Lenders hereunder by the Borrowers on account of principal, overdue interest and expenses shall bear interest at the Interest Rate plus an additional 2% per annum (the Interest Rate, as increased, the "Default Rate").

All interest hereunder shall be computed on the basis of a year of ~~365 or 366~~360 days ~~(as applicable)~~ and shall accrue and be calculated daily and payable in cash, monthly in arrears on the last Business Day of each month (each, an "Interest Payment Date"); provided that unless otherwise agreed by the Required DIP ~~Lender~~Lenders, interest accruing at the Default Rate shall be payable in cash on demand, both before and after demand and judgment.

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

Upon entry of the Second Amended and Restated Initial Order, the Borrowers shall pay a fee (the "Commitment/Funding Fee") of 3.00% of the Loan Amount to the DIP Lenders on a pro rata basis, which such Commitment/Funding Fee shall be payable in kind and capitalized on the principal amount of the DIP Loans on such date.

The Commitment/Funding Fee shall constitute part of the DIP Obligations, shall be secured by the DIP Charge, and shall bear interest

at the Interest Rate (or, after the occurrence and during the continuance of an Event of Default, the Default Rate).

13. **Other Costs and Expenses:**

The Borrower shall pay all reasonable and documented third-party costs and expenses of the DIP Agent, the DIP Lenders and the Fronting Lender for all due diligence and all reasonable and documented fees, expenses and disbursements of ~~outside counsel~~ advisors (which, for the avoidance of doubt, shall include (i) Stikeman Elliott LLP, as counsel to the Senior Lenders, (ii) Paul, Weiss, Rifkind, Wharton & Garrison LLP, as special counsel to the Senior Lenders, (iii) a financial advisor to the Senior Lenders, (iv) Akin Gump Strauss Hauer & Feld LLP, as counsel to the Holder AHG, (v) Cassels Brock & Blackwell LLP, as counsel to the Holder AHG and (vi) Houlihan Lokey, as financial advisor to the Holder AHG) in connection with the preparation, negotiation and consummation of this Agreement ~~and~~ any other Restructuring Transaction, the administration of the DIP Facility and participation in the CCAA Proceeding, including any reasonable and documented third-party costs and expenses incurred by the DIP Agent, the DIP Lenders and the Fronting Lender in connection with the enforcement of any of the rights and remedies available hereunder or under the DIP Security (collectively, the "DIP Lender Expenses"). The DIP Lender Expenses shall form part of the DIP Obligations secured by the DIP Charge (as defined below). All accrued DIP Lender Expenses incurred prior to date of the Initial Advance (including prior to the filing of the CCAA Proceeding) shall be paid in full through deduction from the Initial Advance.

14. **Approved Cash Flow Forecast:**

Attached hereto as Schedule ~~AB~~ is a detailed cash flow projection (the "~~Approved~~Initial Cash Flow Forecast"), which is in form and substance satisfactory to the Required DIP Lender~~Lenders~~ and which ~~includes~~ may include, inter alia, provision for payments on account of any interest and expenses which may be payable under the DIP Facility, rent and other occupancy costs, supplier payments, post-filing accounts payable in the ordinary course of the Business, Priority Payables, payments of amounts payable under the Royalty Agreements and the Benefits Agreement, and the costs and expenses associated with the CCAA Proceeding.

The Borrowers, with the assistance of the Monitor, ~~may~~ shall, from time to time as required by this Agreement, present the DIP ~~Lender~~Lenders with a revised budget ~~substantially in the~~ a form ~~of the current Approved Cash Flow~~ acceptable to the Required DIP Lenders (subject to the Supermajority DIP Lender Budget Consent Right) (the "Updated Cash Flow Forecast"). ~~Subject to~~ Upon the written approval of the Required DIP Lenders (subject to the Supermajority DIP Lender (acting reasonably) Budget Consent Right), the Updated Cash Flow shall thereafter be deemed to be the effective budget (the "Approved Cash Flow Forecast") for the purposes hereof. Until such time as the Required DIP Lenders (subject to the Supermajority DIP Lender Budget Consent Right) approve an Updated Cash Flow Forecast, the prior Approved Cash Flow Forecast shall remain in effect for disbursement

lines in the Operating Disbursements section set forth in the then applicable Initial Cash Flow Forecast or Approved Cash Flow Forecast, as applicable; *provided* that no other amounts may be “rolled-forward” past the 13-week period contemplated by such Approved Cash Flow Forecast, and no additional amounts may be expended thereon except as expressly approved in a subsequently approved Updated Cash Flow Forecast. The DIP Lenders shall be under no obligation to approve any Updated Cash Flow Forecast notwithstanding any prior approval of any prior or then-current Approved Cash Flow Forecast.

Notwithstanding any other provision of this Agreement, neither the DIP Agent nor the DIP Lenders shall be obligated to make any advance under the DIP Facility which does not comply with or adhere to the Approved Cash Flow Forecast.

For the avoidance of doubt, the Approved Cash Flow Forecast will include payment of all reasonable and documented out of pocket fees and expenses of advisors to EDC, the Senior Agents, the Senior Lenders and the Holder AHG (which, for the avoidance of doubt, shall include (i) Stikeman Elliott LLP, as counsel to the Senior Lenders, (ii) Paul, Weiss, Rifkind, Wharton & Garrison LLP, as special counsel to the Senior Lenders, (iii) a financial advisor to the Senior Lenders, (iv) Akin Gump Strauss Hauer & Feld LLP, as counsel to the Holder AHG, (v) Cassels Brock & Blackwell LLP, as counsel to the Holder AHG and (vi) Houlihan Lokey, as financial advisor to the Holder AHG).

The DIP Lenders agree to provide for approvals in allocations in the Approved Cash Flow Forecast to capital expenditures in connection with the Steensby Expansion or any additional exploration costs at such time as the Borrowers have (i) obtained one or more bona fide, binding, irrevocable bids in the SISP that provide for (A) the repayment in full in cash of the DIP Facility and the obligations under the Senior Credit Agreement and the Senior Secured Notes on or prior to the closing of such sale transaction, and (B) the consent of such bidder(s) to pursue the Steensby Expansion and further exploration, with a plan for execution which is reasonably acceptable to the Required DIP Lenders; (ii) submitted to the DIP Lenders supporting plans including engineering, design and operations acceptable to the Required DIP Lenders; and (iii) liquidity which is reasonably acceptable to the Required DIP Lenders; *provided, however*, that the approval of the Supermajority DIP Lenders shall be required with respect to allocations of more than \$95 million to the Steensby Expansion or exploration in any Updated Cash Flow Forecast (the “**Supermajority DIP Lender Budget Consent Right**”).

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

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

- (a) ~~The~~the Court shall have issued the Second Amended and Restated Initial Order in form and substance satisfactory to the

DIP Agent, the Required DIP Lenders and the Fronting Lender, acting reasonably, among other things:

~~(i) granting the Obligors protection under the CCAA;~~

~~(ii) appointing the Monitor;~~

~~(i) (iii) authorizing and approving the Initial Advance and approving this Agreement for the purpose of making the Initial Advance; and;~~

~~(ii) (iv) granting the DIP Charge and the priority of the DIP Charge contemplated in this Agreement;~~

(iii) granting a stay of proceedings until no earlier than September 30, 2026;

(v) providing for provisional execution in respect of any and all Advances made and/or Liens and/or charges granted for the DIP Loans, including the DIP Charge;

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

(b) ~~All~~all reasonable and documented third-party expenses payable to the DIP Agent, the DIP Lenders and the Fronting Lender hereunder will be paid from the proceeds of the Initial Advance on the date of the Initial Advance; and

(c) the DIP Lenders shall have received an Advance Notice in accordance with the terms hereof;

(d) ~~(c) No~~no Default or Event of Default shall have occurred and be continuing or will occur as a result of the Initial Advance~~;~~;

(e) the DIP Agent and the Required DIP Lenders shall be satisfied that there are no Encumbrances on the Collateral ranking in priority to or *pari passu* with the DIP Charge other than as expressly permitted by the terms hereof;

(f) the Obligors shall have delivered to the DIP Agent customary officer's certificates and authorizing directors' resolutions, in form and substance satisfactory to the Required DIP Lenders; and

(g) the Borrowers shall have provided to the DIP Agent and the Required DIP Lenders a list of all material licences and permits required for the continued operation of the Business into the foreseeable future, including their current status, renewal and such other material items related thereto (the "**Material Licences and Permits Schedule**").

16. **Conditions
Precedent to**

The DIP ~~Lender's~~Lenders' agreement to make any additional Advances available from the Loan Amount is subject to, and conditional upon, the

Advances of the Loan Amount (other than the Initial Advance):

satisfaction of all of the following conditions precedent (the “Subsequent Advance Conditions”):

- ~~(a) The Court shall have issued an Amended and Restated Initial Order (if necessary) in form and substance satisfactory to the DIP Lender, acting reasonably, among other things:~~
 - ~~(i) authorizing and approving this Agreement;—~~
 - ~~(ii) granting the DIP Charge (defined below) and the priority of the DIP Charge contemplated in this Agreement;—~~
 - ~~(iii) granting a stay of proceedings until a date that is at least [■ weeks] after the date of the Initial Order;—~~
- (a) ~~and the operation and effect of such order~~Second Amended and Restated Initial Order shall not have been stayed, amended, modified, reversed, waived, dismissed or appealed (or any such appeal shall have been dismissed with no further appeal therefrom or the applicable appeal periods shall have expired) and no notices of the foregoing shall have been filed, unless otherwise agreed by the Required DIP LenderLenders, in ~~its~~their sole discretion;
- (b) ~~The~~the Second Amended and Restated Initial Order ~~(if necessary)~~ has not been amended, restated or modified in a manner that materially adversely affects the rights, remedies or interests of the DIP ~~Lender, in its sole discretion,~~Lenders without the prior written consent of the Required DIP Lenders; provided that any such modification which would require the consent of a given DIP Lender under section 33 hereof be subject to such DIP Lenders’ consent;
- (c) ~~The~~the DIP LenderLenders shall have received an Advance Notice in accordance with the terms hereof;
- (d) ~~All~~all reasonable and documented third-party expenses payable to the DIP Agent, the DIP Lenders and the Fronting Lender hereunder have been paid or will be paid from the proceeds of the requested Advance on the date of the applicable Advance;
- (e) ~~There~~there shall be no Encumbrances on the Collateral ranking in priority to or *pari passu* with the DIP Charge other than as expressly permitted by the terms hereof;
- (f) ~~No~~no Default or Event of Default shall have occurred and be continuing or will occur as a result of the requested Advance;~~and~~
- (g) ~~The~~the Obligors shall be in compliance in all material respects with all covenants and obligations contained in this Agreement~~;~~;
- (h) an updated Approved Cash Flow Forecast has been agreed to between the Borrowers and the Required DIP Lenders (subject to the Supermajority DIP Lender Budget Consent Right), and the Borrowers are in compliance with the current Approved Cash Flow Forecast (subject to Permitted Variances) as at the date of

the proposed Advance;

- (i) the Obligors shall be in compliance with the SISP Milestones;
- (j) the Borrowers shall have delivered to the DIP Agent and the Required DIP Lenders, in the Advance Notice (or in a supplemental certificate executed by an officer of the Borrowers and delivered concurrently therewith), either (i) an updated Material Licences and Permits Schedule reflecting any additions, deletions, lapses, suspensions, revocations or changes in status to any of the items listed therein since the date of the most recent Material Licences and Permits Schedule delivered to the Required DIP Lenders, or (ii) a certification that the most recent Material Licences and Permits Schedule delivered to the Required DIP Lenders remains true and correct in all material respects as of the date of the requested Advance; and
- (k) all conditions precedent in section 15 immediately above in this Agreement shall have been and continue to be satisfied on the date of such Advance.

17. **DIP Charge:** All of the obligations of the Obligors under or in connection with the DIP Facility, including without limitation, all principal, interest, fees and amounts owing in respect of reasonable and documented third-party expenses of the DIP Agent, the DIP Lenders and the Fronting Lender (collectively, the "**DIP Obligations**"), shall be secured by a Court-ordered charge on the Collateral in favour of the DIP ~~Lender~~Agent, for the benefit of the DIP Lenders (the "**DIP Charge**").

The DIP Charge shall rank ahead of any and all Encumbrances on the Collateral other than the administration charge not exceeding \$~~5.0~~5.0 million, to be granted by the Court and the directors and officers charge not exceeding \$~~20.4~~20.4 million, to be granted by the Court (collectively, the "**Priority Charges**"). All Collateral will be free and clear of all Encumbrances, except for Permitted Liens.

18. **DIP Security:** The Guarantors hereby guarantee in favour of the DIP ~~Lender~~Agent, for the benefit of the DIP Lenders, the payment and performance of the DIP Obligations of the Borrowers pursuant to the terms set forth in Schedule C hereto.

The DIP ~~Lender~~Lenders shall be permitted to request DIP Security (in form and substance reasonably satisfactory to the Required DIP Lender) from the Obligors at any time. The DIP Security shall continue as a first priority Encumbrance on the Collateral in favour of the DIP ~~Lender~~Agent, for the benefit of the DIP Lenders, subject to subordination only in respect of the Priority Charges and Priority Payables. For greater certainty, the delivery of DIP Security shall not be a condition precedent to the Initial Advance or any other advances of the Loan Amount as set out in ~~Sections~~sections 15 and 16.

19. **Hedging** Notwithstanding anything herein to the contrary, Hedging Obligations owing to any DIP Lender may be secured by liens which are equal in

<u>Obligations</u>	<u>priority to the DIP Security.</u>
<u>20.</u> ~~19.~~ Borrowers' Account:	Advances shall be deposited into a bank account to be designated by the Borrowers (the " Borrowers' Account ") and utilized by the Borrowers in accordance with the terms of this Agreement. <u>At the request of the DIP Lenders, the Borrowers shall put in place a blocked account agreement in favour of the DIP Agent (for the benefit of the DIP Lenders) thereon on such terms as are acceptable to the Required DIP Lenders, in their discretion.-</u>
<u>21.</u> ~~20.~~ Repayment and Maturity Date:	All DIP Obligations shall be due and payable on the earliest of the occurrence of any of the following: (a) conversion of the CCAA Proceeding into a proceeding under the <i>Bankruptcy and Insolvency Act</i> (Canada); (b) the occurrence of an Event of Default ~~which is continuing and has not been cured within [30] days of the Borrowers receiving written notice of such Event of Default from the DIP Lender and the DIP Lender has notified the Obligors pursuant to Section 28 that it has elected to accelerate all amounts owing; or and a demand for payment by the DIP Agent (at the request of the Required DIP Lenders);~~ (c) the ~~date which is ■ months after the~~ closing of a Restructuring Transaction, ~~or combination of Restructuring Transactions that generated sufficient proceeds to repay the DIP Obligations; or~~ (d) <u>the date that is twelve (12) months after the date of this Agreement, subject to the extensions set forth below (the "Stated Maturity Date")</u> (such earliest date, the "Maturity Date"). <u>The Stated Maturity Date may be extended two times by the Borrowers for up to three (3) months each time, provided that (i) the Borrowers deliver a written extension request to the DIP Agent not less than ten (10) days prior to the then applicable Stated Maturity Date, (ii) no Default or Event of Default exists on the then applicable Stated Maturity Date, (iii) the Borrowers shall have paid an extension fee on the date of each such extension equal to two percent (2%) of the DIP Loans outstanding at such time, payable in-kind on the date of such extension to the DIP Agent on behalf of the DIP Lenders on a pro rata basis and capitalized on the principal amount of the DIP Loans as of such date and (iv) the Borrowers shall have provided to the DIP Agent and the DIP Lenders an Updated Cash Flow Forecast as approved by the Monitor and which shall be in form and substance satisfactory to the Required DIP Lenders (subject to the Supermajority DIP Lender Budget Consent Right) in their sole discretion, through and including the date to which the Stated Maturity Date is extended.</u> The DIP ~~Lender's~~<u>Lenders'</u> commitment to make Advances under the DIP Facility shall expire on the Maturity Date and all amounts

outstanding under the DIP Facility shall be fully repaid no later than the Maturity Date, without the DIP ~~Lender~~Lenders being required to make demand upon the Borrowers or Guarantors or to give notice that the DIP Facility has expired and that the obligations thereunder are due and payable.

22. ~~21.~~ **Payments:**

All payments of principal, interest and expenses hereunder, if applicable, shall be made for value in the full amount due at or before 12:00 noon on the day such amount is due by deposit or transfer thereof to the DIP ~~Lender~~Agent or as the DIP ~~Lender~~Lenders may direct. Payments received after such time shall be deemed to have been made on the next following Business Day. If any payment is due on a day which is not a Business Day, such payment shall be due on the next following Business Day and interest shall accrue until but excluding the actual date of payment. Each payment to be made by the Borrowers under this Agreement shall be made in full without deduction, set-off or counterclaim of any kind or for any reason. If any expenses incurred by the Borrowers after the date of this Agreement are not paid by the Borrowers, the DIP ~~Lender~~Agent may, but shall have no duty to do so, pay all such expenses whereupon such amounts shall be added to and form part of the DIP Obligations and shall reduce the availability under the DIP Facility. Unless otherwise consented to in writing by the Required DIP Lenders, the net cash proceeds of any sale, realization or disposition of, or with respect to, any of the Collateral (including obsolete, excess or worn-out Collateral) out of the ordinary course of business, any cash or other proceeds received out of the ordinary course of business, or any insurance proceeds paid to the Borrowers in respect of such Collateral, shall be paid to the DIP Agent (for the benefit of the DIP Lenders) and applied to reduce the DIP Obligations (for greater certainty, net of transaction fees and applicable Taxes in respect thereof). Any amounts repaid may not be reborrowed.

23. ~~22.~~ **Indemnity:**

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

than any Claims arising out of any act or omission on the part of the Obligor. ~~The Obligor shall not be responsible or liable to any Indemnified Person or any other person for consequential or punitive damages.~~ Notwithstanding anything to the contrary herein, the indemnities granted under this Agreement shall survive any termination of the DIP Facility.

24. ~~23.~~ Representations and Warranties:

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

- (a) such Obligor is validly formed and existing under the laws of its jurisdiction of incorporation or formation;
- (b) such Obligor has the power and capacity, and the legal right, to own or lease and operate its property, to carry on its business as now conducted and as proposed to be conducted, and subject to Court approval of this Agreement, to enter into, execute, deliver and perform its obligations under this Agreement;
- (c) such Obligor has taken all necessary action to authorize the execution, delivery and performance of this Agreement. Subject to the issuance of the Initial Order, Amended and Restated Initial Order or Second Amended and Restated Initial Order, as applicable, and the terms thereof, no consent or authorization of, filing with, notice to or other act by, or in respect of, any governmental authority or any other person is required in connection with the extensions of credit hereunder or with the execution, delivery, performance, validity or enforceability of this Agreement;
- (d) ~~(a) The~~this Agreement and the transactions contemplated by this Agreement ~~and upon the granting of the Initial Order or Amended and Restated Initial Order:~~
 - (i) are within the powers of the~~such~~Obligor and, subject to the granting of the Second Amended and Restated Initial Order, as applicable, constitute legal, valid and binding obligations of ~~the~~such Obligor, enforceable against it in accordance with the terms hereof;
 - (ii) have been duly authorized, executed and delivered by or on behalf of the~~such~~Obligor; and
 - (iii) do not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition) require any consent or approval under, subject to the granting of the Second Amended and Restated Initial Order, as applicable, do not and will not conflict with, contravene, violate or result in a breach ~~or a violation of, or conflict with, of:~~ (A) any of the terms or provisions of its~~such~~Obligor's constating documents or by-laws ~~or, (B) any material contracts or instruments to which its~~such~~Obligor is a party or pursuant to which any of its assets or property may be affected or (c) any~~

applicable Law;

- (e) ~~(b) The~~ the Business of such Obligor has been and will continue to be conducted in material compliance with all applicable Laws of each jurisdiction in which the Business has been or is being carried on subject to the provisions of the CCAA and any Court order made after the date of the Initial Order;
- (f) such Obligor and its properties and businesses comply in all material respects, and the use of its properties comply in all material respects, with all applicable environmental laws; such Obligor has no knowledge of any facts which result in, or constitute, or are likely to give rise to, non-compliance with any environmental laws in any material respect;
- (g) such Obligor owns, leases or has the lawful right to use all of the material properties and undertaking necessary for the conduct of the business of such Obligor;
- (h) ~~(c) Each~~ such Obligor has obtained any material Authorizations for the operation of the Business, which Authorizations remain, and after entering into the DIP Facility will remain, in full force and effect. No proceedings have been commenced to revoke or amend any such Authorizations;
- (i) ~~(d) Each~~ such Obligor does not have any defined benefit pension plans or similar plans and is in material compliance with all applicable Law respecting its employees' employment and all collective bargaining agreements to which it is a party or otherwise bound;
- (j) ~~(e) Except~~ except as otherwise disclosed to the DIP ~~Lender~~ Lenders in writing prior to the date hereof, ~~each~~ such Obligor is current on its payment obligations for rent and other occupancy costs and expenses in respect of any premises that it leases;
- (k) ~~(f) All of such Obligor's~~ obligations ~~of each Obligor~~ (including fiduciary, funding, investment and administrative obligations, if any) required to be performed in connection with such Obligor's employee benefit plans ~~of the Obligor~~ have been performed on a timely basis;
- (l) ~~(g) Each~~ such Obligor has filed all Tax returns which were required to be filed and paid all Taxes (including interest and penalties) which are due and payable; ~~and~~
- (m) such Obligor and each of its subsidiaries has good and valid title to, or legally binding property right in, or valid leasehold interests in, all real property necessary or used in the ordinary conduct of its business, in each case free and clear of all Liens other than those liens permitted by section 4.10 of the Indenture (as same exists on the date of this Agreement) and except for minor defects in title as could not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the

operations, financial condition, and/or future prospects of the Obligors taken as a whole

- (n) ~~(h) All~~ all information provided by or on behalf of ~~each~~ such Obligor to the DIP ~~Lender~~ Lenders for the purposes of or in connection with this Agreement or any transaction contemplated herein is, true and accurate in all material respects on the date as of which such information was provided, not incomplete and does not omit to state any fact necessary to make such information (taken as a whole) not materially misleading at such time, in light of the circumstances under which such information was provided; and
- (o) none of the Obligors owns or controls, directly or indirectly, any subsidiaries which are not Obligors.
- (p) each Obligor maintains adequate insurance coverage, as is customary with companies in the same or similar business of such type, in such amounts and against such risks as is prudent for a business of its nature with financially sound and reputable insurers and that contain reasonable coverage and scope;
- (q) except for those defaults which are stayed by the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order and as disclosed to the DIP Lenders in writing, all Material Contracts are in full force and effect and are valid, binding and enforceable in accordance with their terms, and the Obligors do not have any knowledge of any default that has occurred and is continuing thereunder (other than those defaults arising as a result of or relating to the insolvency of the Obligors or any of their affiliates or the commencement of the CCAA Proceeding);
- (r) except as disclosed to the DIP Lenders in writing by the Obligors, there are no agreements of any kind (i) between the Obligors and any other third party or any holder of debt or Equity Securities of the Obligors with respect to any Restructuring Transaction, which remain in force and effect as of the date hereof, or (ii) between the Borrowers and any related party;
- (s) other than as stayed pursuant to the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order, there is not now pending or, to the knowledge of any of the senior officers of the Obligors, threatened against the Obligors, nor has any Obligor received notice in respect of, any material claim, potential claim, litigation, action, suit, arbitration or other proceeding by or before any court, tribunal, governmental entity or regulatory body;
- (t) each Obligor has maintained and paid current its obligations, as applicable, for payroll, source deductions, harmonized, goods and services and retail sales tax, and is not in arrears of its statutory obligations to pay or remit any amount in respect of these obligations;

- (u) the Obligors have valid leasehold interests in all leases, subleases or assignments of leases, and each such lease is in full force and effect, and the Obligors do not have knowledge of any default that has occurred (other than in connection with the CCAA Proceeding);
- (v) the Borrowers have not taken or omitted to take any action that could materially impact their continued operations, including (i) failing to procure any essential products needed before the shipping window closes, (ii) ceasing their mining operations, or (iii) reducing their workforce;
- (w) any information provided by the Borrowers to the DIP Agent and the DIP Lenders on the status of the SISF, the Steensby Railway project and related financing process (the “**Steensby Expansion**”) to date, including any reporting required pursuant hereto, is accurate and complete, and the Obligors have disclosed all material information in respect of such processes to the DIP Agent and the DIP Lenders; and
- (x) no Default or Event of Default has occurred and is continuing.

25. 24. **Affirmative Covenants:**

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

- (a) ~~Submit~~submit to the Court the ~~Initial Order, the~~Second Amended and Restated Initial Order, and any other Court orders which are being sought by the Obligor in a form confirmed in advance to be satisfactory to the Required DIP ~~Lender—(acting reasonably),~~Lenders subject to any amendments that are required by the Court or the Obligors that are acceptable to the Required DIP ~~Lender (acting reasonably)~~Lenders;
- (b) ~~Comply~~comply with the provisions of all Court orders made in the CCAA Proceeding, including the Initial Order, Amended and Restated Initial Order and the Second Amended and Restated Initial Order;
- (c) ~~Allow the DIP Lender, its~~allow each of the DIP Agent, DIP Lenders and their respective employees, agents, advisors and representatives access to all collateral, information and documentation of the Obligors, to visit, inspect and conduct examinations of any of such collateral, information and documentation (including any books and records) and discuss its business operations, properties and financial and other conditions with its officers, employees and independent public accountants, in each case, as may be reasonably requested by the DIP ~~Lender~~Agent or Required DIP Lenders, during normal business hours, in each case subject to applicable privacy laws and solicitor-client privilege;
- (d) ~~Upon~~upon the reasonable request of the Required DIP

- ~~Lender~~Lenders, provide updates regarding the status of the CCAA Proceeding, including any information which may otherwise be confidential, subject to same being maintained as confidential by the DIP ~~Lender~~Lenders;
- (e) ~~Preserve~~preserve, renew, maintain and keep in full force its corporate existence and its Authorizations required in respect of the Business or any of the Collateral;
 - (f) ~~Use all reasonable efforts to~~ keep the DIP ~~Lender~~Lenders apprised on a timely basis of all material developments with respect to the Business and affairs of the Obligors;
 - (g) ~~Conduct~~conduct the Business and preserve, protect and maintain the Collateral in the ordinary course of Business;
 - (h) operate and maintain its respective properties and businesses in accordance with industry practice and in accordance with applicable law and all Court orders made in the CCAA Proceeding, including the Initial Order, Amended and Restated Initial Order and the Second Amended and Restated Initial Order;
 - (i) ~~(h) Maintain~~maintain in full force all policies and contracts of insurance that are now in effect (or renewals thereof) under which the Obligor, the Business or any of the Collateral is insured;
 - (j) ~~(i) Except~~except to the extent otherwise agreed by the Required DIP ~~Lender~~Lenders (acting reasonably), pay all applicable Priority Payables and all other amounts necessary to preserve the Collateral to avoid any Encumbrance thereon and to carry on the business of each Obligor;
 - (k) ~~(j) Promptly~~promptly notify the DIP ~~Lender~~Lenders of the occurrence of any Default or Event of Default or of any event or circumstance which could reasonably be expected to result in a material adverse change to the Approved Cash Flow Forecast;
 - (l) ~~(k) Comply~~comply in all material respects with all applicable Laws; ~~and, rules and regulations applicable to its business, including environmental laws;~~
 - (m) deliver to the DIP Agent the reporting and other information from time to time reasonably requested by the DIP Agent or the Required DIP Lenders, and any other information pertaining to the business and affairs of the Obligors as reasonably requested by the DIP Agent or any DIP Lender;
 - (n) use the proceeds of the DIP Facility in a manner consistent with the restrictions set out herein and in all cases in accordance with the Approved Cash Flow Forecast (subject to Permitted Variances);
 - (o) duly and punctually pay or cause to be paid to the DIP Agent on behalf of the DIP Lenders all principal, interest, fees and other

- amounts payable by it under this Agreement on the dates, at the places and in the amounts set forth herein;
- (p) authorize the Monitor to (i) meet and communicate with the DIP Agent and DIP Lenders and (ii) provide regular reports to the DIP Agent and DIP Lenders with respect to the DIP Facility and the CCAA Proceeding;
- (q) comply at all times with the SISP Milestones;
- (r) on or prior to 5:00 p.m. (Toronto time) on the Monday of every second calendar week beginning after the date of this Agreement (each, a “Testing Period”), the Obligors shall have delivered to the DIP Agent and DIP Lenders (x) an Updated Cash Flow Forecast that is satisfactory to the Required DIP Lenders (subject to the Supermajority DIP Lender Budget Consent Right) and (y) a Variance Report;
- (s) the Obligors shall have delivered to the DIP Lenders a business plan that is in form and substance satisfactory to the Required DIP Lenders by no later than the date that is three (3) months after the issuance of the Initial Order; and
- (t) On or prior to June 5, 2026 (or such later date as may be agreed to by the Borrowers and the Required DIP Lenders), the Obligors shall have entered into a key employee retention plan and/or a key employee incentive plan in form and substance acceptable to the Required DIP Lenders.
- (u) at all times maintain adequate insurance coverage of such kind and in such amounts and against such risks as is customary for the business of the Obligors with financially sound and reputable insurers in coverage and scope acceptable to the Required DIP Lenders, acting reasonably, and, if requested by the Required DIP Lenders, cause the DIP Agent to be listed as the loss payee or additional insured (as applicable) on such insurance policies and notify the DIP Lenders of any claims or losses exceeding \$1,000,000. The Approved Cash Flow Forecast shall permit funding sufficient to pay the premiums in respect of such insurance;
- (v) provide the DIP Agent, the DIP Lenders and their counsel with draft copies of, and the opportunity to comment on, all motions, applications, proposed Court orders and other materials or documents that the Obligors intend to file in the CCAA Proceeding at least five (5) Business Days prior to any such filing or, where it is not practically possible to do so within such time, as soon as possible prior to the date on which such motion, application, proposed Court order or other material or document is served on the service list in respect of the CCAA Proceeding;
- (w) promptly provide notice to the DIP Agent, the DIP Lenders and their counsel, and keep them otherwise apprised, of any material developments in respect of any Material Contract, and of any material notices, orders, decisions, letters, or other documents,

- materials, information or correspondence received from any regulatory authority having jurisdiction over any Obligor, subject to any disclosure restrictions contained in any Court order or that, in the opinion of the Obligors (in consultation with the Monitor), each acting reasonably, are necessary to protect the Borrowers' restructuring process;
- (x) promptly upon becoming aware thereof, provide details of any pending, or threatened claims, potential claims, litigation, actions, suits, arbitrations, other proceedings or notices received in respect of same, against any Obligor by or before any court, tribunal, Governmental Authority or regulatory body, which would be reasonably likely to result, individually or in the aggregate, in a judgment in excess of \$1,000,000;
- (y) take all commercially reasonable actions necessary or available to defend the Court orders from any appeal, reversal, modification, amendment, stay or vacating not expressly consented to in writing in advance by the Required DIP Lenders relating to the DIP Facility or the DIP Charge;
- (z) continue business operations in the ordinary course ensuring full utilization of the shipping window, including (i) ensuring fuel and other necessary products for operations are secured for continued operations and (ii) shipping out all ready-to-ship product for sale; and the Borrowers will not materially change employee head count or staffing requirements except as may be needed to optimize cost structure and operations subject to the Approved Cash Flow Forecast and the prior written consent of the Required DIP Lenders;
- (aa) maintain and take all action to ensure all material licences and permits required for the foreseeable operation of its business that may be required will be acquired, procured, or otherwise obtained and remain in full force and effect; the Borrowers shall defend each against revocation or amendment thereof; and the Borrowers, upon request of the Required DIP Lenders, will take all action as may be needed to obtain and preserve the permit to allow for the transportation of up to 6 million tonnes per annum of ore;
- (bb) maintain in good repair, working order and condition all material properties and assets used or useful in the business of the Borrowers and make all such appropriate repairs thereto;
- (cc) take all commercially reasonable efforts to disclaim all contracts that are not within the Approved Cash Flow Forecast;
- (dd) act diligently and in good faith in the pursuit of the CCAA Proceeding;
- (ee) establish a risk management program for all business variables that can reasonably affect business operations in consultation with the Required DIP Lenders, and the DIP Lenders shall have a right of first refusal on any Hedging Obligations; and

- (ff) execute and deliver such loan and security documentation as may be reasonably requested by the DIP Agent or the Required DIP Lenders from time to time;
- (gg) provide the DIP Agent and DIP Lenders and their advisors from time to time, on a confidential basis, with such information regarding the progress of the Obligors' pursuit of a Restructuring Transaction and the Steensby Expansion as may be reasonably requested by the Required DIP Lenders, subject to any disclosure restrictions contained in any Court order, or that, in the opinion of the Obligors (in consultation with the Monitor), each acting reasonably, are necessary to protect the Borrowers' restructuring process; and
- (hh) ~~(I) Pay when due all principal, interest, fees and other amounts payable by the Obligor under this Agreement.~~ promptly pay all DIP Lender Expenses no less frequently than every two weeks, provided that the DIP Lenders shall use commercially reasonable efforts to provide reasonable estimates of such expenses for purposes of the Approved Cash Flow Forecast.

26. ~~25.~~ **Negative Covenants:**

Each Obligor covenants and agrees not to do the following, other than with the prior written consent of the Required ~~DIP Lender~~ Lenders from and after the date hereof:

- (a) ~~Make~~ make any payment of principal or interest in respect of Indebtedness ~~existing as of the date of the Initial Order~~ other than with respect to the DIP Obligations or otherwise provided herein or declare or pay any dividends or make any other distribution, in each case, except as contemplated by expressly provided for in the Approved Cash Flow Forecast;
- (b) ~~Except for the DIP Obligations, any Indebtedness secured by the Priority Charges, the Priority Payables, or any other Indebtedness incurred in the ordinary course of business~~ except as set forth in any Court order that is acceptable to the Required DIP Lenders, incur or permit to exist any Indebtedness, (including, without limitation, any capital lease obligation, equipment lease or financing lease obligation), or provide or seek or support a motion by another party to provide such Indebtedness;
- (c) ~~Except for the Priority Charges and the~~ except as set forth in any Court order that is acceptable to the Required ~~Charge~~ Lenders, create, permit to exist any Encumbrance, or provide or seek or support a motion by another party to provide an Encumbrance, upon any ~~of the~~ Collateral;
- (d) create or permit to exist any Liens on any of its properties or assets other than the Permitted Liens;
- (e) ~~(d) Make~~ make any payments or use any monies (including, without limitation, proceeds of the DIP Facility) outside of the ordinary course of ~~the~~ Business, unless provided for in the

Approved Cash Flow Forecast (subject to Permitted Variances);

- (f) ~~(e) Make~~make any investments in, acquisitions of or loans to or guarantee the Indebtedness or obligations of any other Person ~~or~~, entity or assets, except as expressly provided for in the Approved Cash Flow Forecast;
- (g) enter into or continue performance under any transaction with any affiliate or any of its or its affiliates' respective direct or indirect equity holders, senior officers, directors, managers or employees, except in the ordinary course of business for a bona fide business purpose and not for any other purpose, except as expressly provided for in Approved Cash Flow Forecast
- (h) enter into or continue performance under any transaction which does not provide for fair and reasonable terms which are no less favorable than those that would be obtained in arm's-length transactions of a similar type;
- (i) notwithstanding anything in the Initial Cash Flow Forecast or any Approved Cash Flow Forecast, make any type of payment, or otherwise satisfy any claim, to any direct or indirect shareholder of the Borrowers arising under or related to any royalty agreement;
- (j) make any type of payment, or otherwise satisfy any claim, purported claim, liability, or other obligation, including without limitation of any pre-CCAA filing claim, that is not expressly provided for by the Approved Cash Flow Forecast (subject to Permitted Variances);
- (k) ~~(f) Change~~change its jurisdiction of incorporation or registered office;
- (l) ~~(g) Change~~change its name, fiscal year end or accounting policies or ~~amalgamate, consolidate with, merge into, dissolve or enter into any similar transaction with any other entity~~amend its organizational documents;
- (m) ~~(h) Cease~~cease to carry on the Business as currently being conducted or materially change its operations or business practices;
- (n) ~~(i) Sell~~sell, assign, lease, convey or otherwise dispose of ~~any of the Collateral except for sales or disposals in the ordinary course of the Business, or~~ transfer any of its property, assets or undertakings, except as may be approved by the Court with the prior written consent of the Required DIP Lenders;
- (o) ~~(j) Except~~except as otherwise contemplated in any Court order and approved by the Required DIP Lenders or as expressly contemplated by the Approved Cash Flow Forecast, establish or make any retention or bonus payments, increase compensation or severance entitlements or other benefits payable to directors, senior officers or senior management, or pay any bonuses whatsoever;

- (p) ~~(k) Enter~~enter into any settlement agreement or agree to any settlement arrangements with any regulatory authority or in connection with any material litigation, arbitration, other investigations, proceedings or disputes or other similar proceedings which are threatened or pending against the Obligor;
- (q) ~~(l) Enter~~enter into any amalgamation, reorganization, liquidation, dissolution, winding-up, merger or other similar transaction or series of transactions ~~whereby, directly or indirectly, all or any significant portion of the undertaking, property or assets of any Obligor would become the property of any other Person or Persons; and,~~ allow any change of control to occur, or create or acquire any new subsidiary or become a general partner in any partnership;
- (r) ~~(m) Amend~~amend, supplement, revoke, terminate or discharge or seek to amend, supplement, revoke, terminate or discharge, the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order, except to amend and restate the Initial Order as may be permitted by this Agreement-;
- (s) apply for or consent to, any Court order, or amendment or modification to an existing Court order which adversely affects or could reasonably be expected to adversely affect the DIP Agent or the DIP Lenders;
- (t) file or support the confirmation of any plan of arrangement or liquidation, in each case, that treats the DIP Obligations as "affected" without the consent of the Required DIP Lenders;
- (u) (i) enter into any material transaction or material agreements or (ii) amend or modify any existing agreements or transaction terms, in each case, including royalty agreements, Alternative Offtake and Service Agreements, or similar agreements, without the consent of the Required DIP Lenders;
- (v) satisfy the delivery or other performance obligations and/or payment obligations under its contracts with Glencore plc or any of its affiliates, including, without limitation, any obligations to process or deliver iron ore;
- (w) take (or omit to take) any action to the extent such action could reasonably be expected to materially impair or otherwise adversely affect the ability of the Obligors to utilize any net operating losses, tax credit carry-forwards, built-in losses, basis, deductions or other tax attributes or benefit, in each case, without the prior written consent of the Required DIP Lenders;
- (x) issue any Equity Securities, create any new class of Equity Securities, amend any terms of its existing Equity Securities, or consent to or take any steps in furtherance of the exercise of any conversion right under any Equity Securities issued by it, other

than in connection with a Restructuring Transaction approved pursuant to a Court order;

- (y) seek, obtain, support, make or permit to be made any Court order or any change, amendment or modification to any Court order that would materially affect the rights or protections of the DIP Agent or the DIP Lenders under or in connection with the DIP Facility or the DIP Charge, except with the prior written consent of the Required DIP Lenders, in their sole discretion;
- (z) seek or consent to the lifting of the stay of proceedings in the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order, as applicable, in favour of the Borrowers, or seek or consent to the appointment of a receiver or trustee in bankruptcy or any similar official in any jurisdiction;
- (aa) make any changes to the composition of the board of directors of the Borrowers (including the addition, removal or replacement of directors, other than a resignation by a director), other than pursuant to a Court order and with the Required DIP Lenders' approval (in their sole discretion);
- (bb) negotiate or enter into any other interim financing facility; or
- (cc) pay any professional or advisory fees (including any legal fees or expenses) of any other Person (other than the Borrowers, the DIP Agent, the DIP Lenders and the Monitor) that are not provided for in the Approved Cash Flow Forecast, except pursuant to the terms of a binding support agreement with such Person with respect to a Restructuring Transaction that is acceptable to the Required DIP Lenders, or as may otherwise be agreed to by the Required DIP Lenders and the Borrowers (in consultation with the Monitor).

27. ~~26.~~ Sales and Investment Solicitation Process; Expansion:

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

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

from the SISP will be no later than ~~24~~12 months after the commencement of the SISP,

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

28. ~~27.~~ **Events of Default:**

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

- (a) ~~Any~~any Court order is issued, dismissed, stayed, reversed, vacated, amended or restated and such issuance, dismissal, stay, reversal, vacating, amendment or restatement which (i) stays, reverses, vacates or otherwise modifies this Agreement or (ii) adversely affects or would reasonably be expected to adversely affect the interest of the DIP LenderAgent or DIP Lenders in a material manner, unless the DIP LenderAgent or Required DIP Lenders, as applicable, have given ~~its~~their prior written consent thereto, including the issuance of a Court order:
 - (i) appointing a receiver and manager, receiver, interim receiver or similar official in respect of an Obligor;
 - (ii) terminating, lifting or amending the stay imposed within the CCAA Proceeding in a manner which, in the opinion of the Required DIP ~~Lender~~Lenders, acting reasonably, is materially prejudicial to the DIP ~~Lender~~Lenders;
 - (iii) granting any other claim or Encumbrance of equal or priority status to that of the DIP Charge, other than the Priority Charges or the Priority Payables; or
 - (iv) ~~staying, reversing, vacating or otherwise modifying this Agreement or~~ prejudicially affecting the DIP ~~Lender~~Agent, DIP Lenders or the Collateral;
- (b) ~~Failure~~failure of an Obligor to diligently oppose any party that brings an application or motion for any of the relief set out in subsection 27(a) above and/or the failure to secure the dismissal of such motion or application within 30 days from the date that such application or motion is brought (provided no affirmative Court order is issued on such motion or application during such period);
- (c) ~~The~~the CCAA Proceeding is terminated or converted to bankruptcy proceedings;
- (d) ~~Failure of an Obligor to pay any amounts when due and owing~~

- ~~hereunder~~; failure of the Borrowers to pay (i) principal, interest or other amounts when due pursuant to this Agreement or any other document entered into in connection herewith, or (ii) any reasonable and documented third-party expenses payable to the DIP Agent, the DIP Lenders or the Fronting Lender within two (2) Business Days of being invoiced therefor, and such failure, in the case of each of items (i) and (ii), remains unremedied for more than two (2) Business Days;
- (e) ~~The~~any Obligor ceases to carry on or maintain the Business or its assets in the ordinary course of the Business in compliance with the covenants contained in this Agreement, except where such cessation is otherwise consented to in advance in writing by the Required DIP ~~Lender~~Lenders;
- (f) ~~Any~~any representation or warranty made or given hereunder by any Obligor shall be incorrect or misleading in any material respect when made;
- (g) ~~Any~~any material violation or breach of any court order by an Obligor;
- (h) ~~Failure~~failure of an Obligor to (x) perform or comply with any term or covenant of this Agreement, ~~including the failure to~~ and such failure shall continue uncured for more than five (5) Business Days after the earlier to occur of (i) any one or more of the Obligors having knowledge of such Event of Default or (ii) written notice of such Event of Default from the DIP Agent to the Borrowers, in either case, at the direction of the Required DIP Lenders to the Borrowers or (y) achieve the SISP milestones in accordance with section 26;
- (i) ~~Any~~any proceeding, motion or application is commenced or filed by the Obligors, or if commenced by another party, supported or otherwise consented to by the Obligors, seeking the invalidation, subordination or other challenging of the terms of the DIP Facility, the DIP ~~Lender's~~Lenders' Charge, or this Agreement;
- (j) ~~If~~—an Obligor makes any ~~material~~ payments of any kind not permitted by this Agreement, the Approved Cash Flow Forecast (subject to Permitted Variances) or any order of the Court; ~~or any failure to remain in compliance with the Approved Cash Flow Forecast, subject to Permitted Variances;~~
- (k) ~~Any~~any plan is filed or sanctioned by the Court in a form and in substance that is not acceptable to the Required DIP ~~Lender~~Lenders if such plan does not either provide for the repayment of the obligations under the DIP Facility in full by the Maturity Date, or designate the DIP ~~Lender~~Lenders as unaffected by such plan;
- (l) any Obligor shall file a motion seeking, or take any action supporting a motion seeking, or the Court shall issue, an order, authorizing the sale or liquidation its assets unless, in each case, either (i) the Required DIP Lenders consent to the filing of such

- motion, , or (ii) the Court order approving such sale or liquidation contemplates payment in full in cash of all the DIP Obligations;
- (m) any event or occurrence that materially adversely affects the Obligors, their business or their assets, in each case taken as a whole, as determined by the Required DIP Lenders in their sole discretion;
- (n) a default (other than a default resulting from the insolvency of the Borrowers or the commencement of the CCAA Proceeding by the Borrowers, including, for greater certainty, as a result of failure to pay pre-filing amounts as a result of the commencement of the CCAA Proceeding) under any Material Contract, or any material amendment of any Material Contract unless agreed to by the Required DIP Lenders in writing;
- (o) any change of control of any one or more of the Obligors without the consent of the Required DIP Lenders;
- (p) any Authorization issued to any Obligor is terminated, revoked, or suspended and such termination, revocation, or suspension has or could reasonably be expected to have a material adverse on the operations, financial condition, and/or future prospects of the Obligors taken as a whole;
- (q) any Obligor does not comply with any term or condition of the SISP, including without limitation not satisfying any milestone action required to be completed in the SISP by the date on which such milestone action item is required to be completed under the SISP and remaining in compliance with such action item thereafter, as applicable;
- (r) the priority of the Liens as contemplated hereby created pursuant to or under the DIP Security in favor of the DIP Agent for the benefit of the DIP Lenders is varied without the consent of the DIP Agent at the direction of the DIP Lenders or any of such Liens does not have the priority required hereunder for any reason in any jurisdiction;
- (s) any Obligor commences an action or any other proceeding in any proceeding or in any other court (i) to obtain any form of relief against the DIP Agent or DIP Lenders (or any one or more of them) including without limitation a proceeding to recover damages from the DIP Agent or the DIP Lenders or to obtain payment of any amounts purported to be owing by the DIP Agent or the DIP Lenders (or any one or more of them) to any Obligor if the DIP Agent or the DIP Lenders (or any one or more of them) disputes any of the same or (ii) to challenge in any way the enforceability of this Agreement or any document entered in connection herewith or the Liens granted under or pursuant to the DIP Security;
- (t) any Obligor seeks, or consents to, any amendment of the SISP without the prior written consent of the DIP Agent at the direction of the Supermajority DIP Lenders;

- (u) the expiry without further extension of the stay of proceedings in the CCAA Proceeding;
- (v) the denial or purported repudiation by any Obligor of the legality, validity, binding nature, or enforceability of this Agreement or any document entered into in connection herewith, or any Obligor commencing any action or proceeding in any proceeding for a declaration or order to such effect;
- (w) this Agreement or any other document entered into in connection herewith (and for certainty including without limitation the DIP Security) ceases to be enforceable;
- (x) except as stayed by order of the Court, the entry of one or more final judgements, writs of execution, garnishments or attachments representing a claim or claims in excess of \$100,000 or the equivalent amount thereof in any other currency, in the aggregate, against any Obligor or the property and assets of any Obligor which are subject to the Liens in favor of the DIP Agent for the benefit of the DIP Lenders that is not released, bonded, satisfied, discharged, vacated, stayed or accepted for payment by an insurer within 30 days after its or their entry, commencement or levy;
- (y) any Obligor shall enter into or become liable under any other debtor-in-possession financing facility;
- (z) any Obligor shall incorporate, create, or organize any new subsidiaries after the date of this Agreement; or
- (aa) (i) any changes by any Obligor to the composition of its board of directors or (ii) any Obligor retains or appoints a chief restructuring officer or Person in a similar role , in each case without the prior consent of the Required DIP Lenders or a Court order.
- (bb) (i) a Variance Report or Updated Cash Flow Forecast is not delivered within two (2) Business Days of the day on which such Variance Report or Updated Cash Flow Forecast is required to be delivered pursuant to this Agreement, or (ii) there shall exist a cumulative negative variance in excess of the Permitted Variance for the period from the date of the Initial Order to the last day of the applicable testing period, measured relative to the Approved Cash Flow Forecast then in effect; or
- (cc) any Court order is issued pointing a chief restructuring advisor or similar role, or expending the role of the Monitor, in each case, without the consent of the Required DIP Lenders.

29. 28- **Remedies:**

Upon the occurrence and continuance of an Event of Default ~~which has not been cured by the Borrowers within 30 days of receiving written notice of such Event of Default by the DIP Lender, the DIP Lender may in its discretion,~~ the DIP Agent (acting at the direction of the Required DIP Lenders) or the Required DIP Lenders may elect on prior written

notice to the Borrowers and the Monitor to:

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

~~(e)~~ The DIP Agent (acting at the direction of the Required DIP Lenders) may use (for certainty, on the instructions of the Required DIP Lenders in accordance with the definition thereof and section 33) any or all of the DIP Obligations as a credit bid and/or to pay for some or all of the purchase price (including any deposit payable in connection with such transaction) in connection with (a) any purchase of some or all of the properties and assets of the Borrowers and the Guarantors (or any one or more of them), (b) any Restructuring Transaction agreed to by the Borrowers (in consultation with the Monitor) and the Required DIP Lenders, in each case subject to any Court order and such reasonable terms and conditions as may be required in the opinion of the Borrowers (in consultation with the Monitor), each acting reasonably, to protect the Borrowers' restructuring process.

30. 29- **Taxes:**

All payments by an Obligor under this Agreement, including any payments required to be made from and after the exercise of any remedies available to the DIP LenderAgent and/or the DIP Lenders upon the occurrence and continuance of an Event of Default, shall be made free and clear of, without reduction for or on account of, any present or future Taxes; provided, however, that if any Taxes are required by applicable Law to be withheld ("**Withholding Taxes**") from any amount payable to the DIP LenderLenders under this Agreement, the amounts so payable to the DIP LenderLenders shall be increased to the extent necessary to yield to the DIP LenderLenders on a net basis after payment of all Withholding Taxes, the amount payable hereunder at the rate or in the amount specified hereunder and the Obligors shall provide evidence satisfactory to the Required DIP LenderLenders that the Taxes have been so withheld and remitted.

If the Borrowers pay an additional amount to the DIP Lenders to account

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

31. ~~30.~~ **Termination by Borrowers**

The Borrowers shall be entitled to terminate this Agreement upon notice to the DIP ~~Lender: (a) in the event that the DIP Lender has failed to fund any Advance when required to do so under this Term Sheet, or (b)~~ Lenders at any time following the indefeasible payment in full in immediately available funds of all of the outstanding DIP Obligations. Effective immediately upon such termination, all obligations of the ~~Obligors~~ Borrowers and the DIP ~~Lender~~ Lenders under this Agreement shall cease, except for those obligations that explicitly survive termination. For greater certainty, all outstanding DIP Obligations in respect of all Advances funded prior to such termination shall become immediately due and payable concurrently with such termination and the DIP ~~Lender~~ Lenders shall not be required to make any further extensions of credit under this Agreement.

32. ~~31.~~ **Further Assurances:**

The Obligors shall, at their own expense, from time to time do, execute and deliver or will cause to be done, executed and delivered, all such further acts, documents (including, without limitation, certificates, declarations, affidavits, reports and opinions) as the Required DIP ~~Lender~~ Lenders may reasonably request for the purpose of giving effect to this Agreement.

33. ~~32.~~ **Entire Agreement:**

This Agreement constitutes the entire agreement between the parties related to the subject matter hereof. To the extent there is any inconsistency between this Agreement and any other documents entered into in connection herewith, this Agreement shall prevail.

34. ~~33.~~ **Amendments and Waivers:**

No waiver or delay on the part of the DIP ~~Lender~~ Lenders in exercising any right or privilege hereunder will operate as a waiver hereof or thereof unless made in writing and delivered in accordance with the terms of this Agreement.

All consents, waivers or amendments to or in connection with this Agreement and the DIP Facility and the transactions contemplated hereby or thereby must be in writing and if approved in writing by the DIP Agent at the direction of the Required DIP Lenders shall be binding on all of the DIP Lenders including those Lenders which did not execute any such consent, waiver or amendment; and any matters, documents or other things required to be acceptable or satisfactory to the DIP

Lenders are and shall be deemed to be acceptable and satisfactory to all the DIP Lenders if acceptable or satisfactory to the DIP Agent at the direction of the Required DIP Lenders; provided that and for certainty, no consent, waiver or amendment shall be binding on the DIP Lenders unless each of the DIP Lenders executes a consent, waiver or amendment for any of the following matters: (a) increase the amount of any Lender's DIP Facility commitment amount; (b) change to the Maturity Date; (c) postpone or delay the date for payment of any principal, interest or other DIP Obligations; (d) reduce the principal amount owing by the Borrowers or the rate of interest or any other fees applicable to amounts owing or to become owing hereunder or under the other documents in connection herewith; (e) change the pro rata commitments of any of the DIP Lenders in connection with the DIP Facility; (f) amend this section 33, the definition of "Required DIP Lenders", the definition of "Supermajority DIP Lenders" or any provision providing for consent or other action by all or any specific percentage or portion of the DIP Lenders; (g) discharge any Obligor from its payment obligations under hereunder or under any other document in connection herewith or release any DIP Security except as may be expressly provided for in this Agreement; or (h) amend the terms and conditions of the application of proceeds of any repayments or the sharing of payments; provided further that any consent, amendment, waiver or other modification with respect to this Agreement that would adversely and disproportionately modify the rights of any DIP Lender (in its capacity as such) under the DIP Facility compared to other DIP Lenders shall require the prior written consent of each such affected DIP Lender. Notwithstanding anything to the contrary contained herein, any consent, amendment, waiver or other modification that subordinates, or has the direct or indirect effect of subordinating, (x) any DIP Obligations in right of payment to any other Indebtedness for borrowed money or (y) any Liens securing the DIP Obligations to any Liens securing any other Indebtedness for borrowed money, in each case, shall require the prior written consent of the Supermajority DIP Lenders.

~~This Agreement may not be amended or waived except by an instrument in writing signed by each of the Obligors and the DIP Lender.~~
In addition, the Required DIP Lenders shall consult all other DIP Lenders in connection with any consent, waiver, amendment or other modification requiring the consent of the Required DIP Lenders.

35. ~~34.~~ **Severability:**

Any provision in this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or ~~effecting~~affecting the validity ~~of~~or enforceability of such provision in any other jurisdiction.

36. ~~35.~~ **No Third Party Beneficiary:**

No Person, other than the Obligors and the DIP ~~Lender~~Lenders are entitled to rely upon this Agreement and the parties expressly agree that this Agreement does not confer rights upon any party not a signatory hereto.

37. ~~36.~~ **Counterparts
and Facsimile
Signatures:**

This Agreement may be executed in any number of counterparts delivered by e-mail, including in PDF format, each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same instrument. Any party may execute this Agreement by signing any counterpart of it.

38. ~~37.~~ **Assignment:**

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. Upon the Borrowers' acceptance of this Agreement, this Agreement shall be amended and restated to include provisions pursuant to which DIP Lenders may assign DIP Loans and/or sell participations in DIP Loans. Any DIP Lender may assign its rights and obligations under the DIP Facility, in whole or in part, to any Person acceptable to such DIP Lender, in its sole and absolute discretion.

39. ~~38.~~ **Notices:**

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

in the case of a notice to the Obligors at:

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

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

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

Davies Ward Phillips & Vineberg LLP
155 Wellington St. W.
Toronto, ON M5V 3J7
Attention: Natalie Renner and Rob Nicholls
Email: nrenner@dwpv.com and rnicholls@dwpv.com

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

■

Attention: ■
Email: ■

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

Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas

New York, NY 10019

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

and

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

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

and

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

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

and

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

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

In either case, with a copy to the Monitor:

FTI Consulting Canada Inc.

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

With a copy to, which shall not constitute notice:

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

Attention: Marc Wasserman and Michael De Lellis

Email: mwasserman@osler.com and mdelellis@osler.com

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

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

40. ~~39.~~ **Governing Law and Jurisdiction:**

This Agreement shall be governed by, and construed in accordance with, the Laws of the Province of Ontario and the federal Laws of Canada applicable therein.

41. ~~40.~~ **Definitions:**

For the purposes of this Agreement, unless context otherwise requires, the following terms have the respective meanings set out below, and grammatical variations of such terms have corresponding meanings:

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

"**Advance Notice**" has the meaning given to that term in ~~Section~~section 8;

"**Affiliate**" of any Person means, at the time such determination is being made, any other Person controlling, controlled by or under common control with such first Person, where "control" means the possession, directly or indirectly, of the power to direct the management and policies of such Person, whether through the ownership of voting securities or otherwise;

"**Agreement**" means this Agreement, including all Schedules, as it may be modified, amended, revised, restated, replaced, supplemented or otherwise changed from time to time and at any time hereafter;

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

"**Amended and Restated Initial Order**" means the order of the Court entered on May 25, 2026;

"**Alternative Offtake and Service Agreements**" means offtake, service or other agreements in respect of the business of the Borrowers;

"**Approved Cash Flow Forecast**" has the meaning given to that term in ~~Section~~section 14;

"Authorization" means, with respect to any Person, any order, permit, approval, consent, waiver, licence or similar authorization of any Governmental Authority related to the Collateral or the Business;

"Benefits Agreement" means the impact benefits agreement between BIM Corp. and the Qikiqtani Inuit Association dated September 6, 2013, as amended on October 22, 2018, and as may be further amended, supplemented or amended and restated from time to time;

"Borrowers" has the meaning given to that term in the recitals;

"Borrowers' Account" has the meaning given to that term in ~~Section~~[section](#) 19;

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

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

"CCAA" has the meaning given to that term in the recitals;

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

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

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

"Commitment/Funding Fee" has the meaning given to that term in [section 12](#);

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

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

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

"Default Rate" has the meaning given to that term in ~~Section~~[section](#) 12;

"DIP Agent" has the meaning given to that term in [section 6](#);

"DIP Charge" has the meaning given to that term in ~~Section~~[section](#) 17;

"DIP Facility" has the meaning given to that term in ~~Section~~[section](#) 7;

"DIP Lenders" has the meaning given to that term in [section 6](#);

"DIP Lender Expenses" has the meaning given to that term in [section 13](#);

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

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

"EDC" means Export Development Canada;

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

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

"Event of Default" has the meaning given to that term in ~~Section~~section 27;

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

~~"Hedging Obligations" means, with respect to~~of any Person, ~~means~~ the ~~net payment~~ obligations of such Person ~~outstanding under (a) interest rate or currency swap agreements, interest rate or currency cap, collar or floor agreements and (b) any other agreements or arrangements entered into in order to protect such Person against fluctuations in commodity prices, interest rates or currency exchange rates;~~pursuant to any Interest Rate Agreement, Currency Agreement or Commodity Agreement;

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

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

"Indebtedness" of any Person means, at any date, without duplication, (a) all obligations of such Person for borrowed money, including by way of overdraft and drafts or orders accepted as representing extensions of credit, (b) all obligations of such Person evidenced by bonds, debentures, the face amount of all letters of credit, letters of guarantee and similar instruments, notes or other similar instruments, (c) all indebtedness, liabilities and obligations secured by an Encumbrance on any asset of such Person, whether or not the same is otherwise indebtedness, liabilities or obligations of such Person, (d) all indebtedness, liabilities and obligations of others which is, directly or indirectly, guaranteed by such Person or which such Person has agreed (contingently or otherwise) to purchase or otherwise acquire, (e) all indebtedness, liabilities and obligations in respect of financial instruments which are classified as a liability on the balance sheet of such Person, and (f) all obligations of such Person to otherwise assure a creditor against loss (for certainty, Hedging Obligations incurred by an Obligor in the ordinary course shall not be considered Indebtedness for purposes of this Agreement);

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

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

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

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

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

"Initial Order" means ~~an~~the order, ~~or orders,~~ of the Court, ~~in form and substance satisfactory to the DIP Lender and obtained on application made on notice to, such Persons as the DIP Lender and Obligors determine, acting reasonably, among other things, granting the Obligors protection under the CCAA, appointing the Monitor, approving the DIP Facility, granting the DIP Charge and approving the Initial Advance;~~ entered on May 15, 2026;

"Interest Payment Date" has the meaning given to that term in ~~Section~~section 14;

"Interest Period" has the meaning given to that term in ~~Section~~7section 12;

"Interest Rate Agreement" means, with respect to any Person, any

interest rate future or forward, swap or option, cap or collar or other similar agreement or arrangement as to which such Person is a party or a beneficiary;

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

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

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

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

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

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

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

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

"**Permitted Priority Liens**" means (i) the Priority Charges; (ii) any Lien in respect of amounts payable by the Borrowers for wages, vacation pay, employee deductions, sales tax, excise tax, tax payable pursuant to Part IX of the *Excise Tax Act* (Canada) (net of input credits), income tax and workers compensation claims, in each case solely to the extent such amounts are given priority by applicable Law and only to the extent that the priority of such amounts has not been subordinated to the DIP Charge granted by the Court; and (iii) such other Liens existing as of the Filing Date that have not been subordinated to the DIP Charge granted by the Court.

"**Permitted Variance**" means, for each Testing Period, (A) a negative variance of (i) more than 10.0% of projected receipts for such Testing Period; (ii) more than 10.0% of projected receipts for the cumulative period commencing on the date of the initial Approved Cash Flow Forecast and ending on the last day of such Testing Period; (iii) more than 10.0% of projected disbursements for such Testing Period; and (iv) more than 10.0% of projected disbursements for the cumulative period commencing on the date of the initial Approved Cash Flow Forecast and ending on the last day of such Testing Period or (B) to the extent any Approved Cash Flow Forecast sets forth a permitted variance with respect to a specific line item, such variance as specified therein.

"**Person**" means any individual, sole proprietorship, partnership, firm,

entity, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, Governmental Authority, and where the context requires, any of the foregoing when they are acting as trustee;

"Priority Charges" has the meaning given to that term in ~~Section~~[section 17](#);

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

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

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

"Royalty Agreements" means, collectively, (i) the royalty agreement entered into among ~~[Baffin-LP]~~[the Borrowers](#), 15877580 Canada Inc., ArcelorMittal Canada Inc., 15877563 Canada Inc. and 15877482 Canada Inc. dated March 25, 2024 and (ii) the royalty agreement entered into among ~~[Baffin-LP]~~[the Borrowers](#), 16572367 Canada Inc., 15877563 Canada Inc. and 15877482 Canada Inc.;

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

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

"Senior Credit Agreement" means [that certain revolving credit agreement dated as of May 26, 2017 \(as amended by the first amendment dated June 27, 2018, the second amendment dated October 25, 2019, the third amendment dated February 14, 2022, the fourth amendment dated March 26, 2024, the fifth amendment dated](#)

May 27, 2025 and the sixth amendment dated November 24, 2025), by and among the Borrowers, as borrowers, the guarantors party thereto, the Senior Lenders and the Senior Agents;

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

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

"SISP" has the meaning given to that term in section 26;

"SISP Milestones" has the meaning given to that term in section 26;

"Steensby Expansion" has the meaning given to that term in section 23;

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

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

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

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

"Updated Cash Flow" has the meaning given to that term in ~~Section~~section 14; ~~and-~~

"Variance Report" means a report with calculations in form and substance satisfactory to the Required DIP Lenders and the Monitor acting reasonably setting forth for all Obligors (i) actual receipts and disbursements for the preceding two-week period (each such period, a Testing Period) for each line item in the Approved Cash Flow Forecast for such previous two-week period, and (ii) actual receipts and disbursements on a cumulative basis since the beginning of the period covered by the then operative Approved Cash Flow Forecast, in each

case as against the then operative Approved Cash Flow Forecast, and setting forth all the variances, on a line-item and aggregate basis in comparison to the amounts set forth in respect thereof in the then operative Approved Cash Flow Forecast. Each Variance Report shall include reasonably detailed explanations for any variances for either receipts or disbursements, in each case exceeding five percent (5%) of the Approved Cash Flow Forecast for each line item in the Approved Cash Flow Forecast and all items on a cumulative basis during the relevant period; and

"Withholding Taxes" has the meaning given to that term in ~~Section~~section 29.

[Signature page follows]

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

DIP LENDER:

■

by

BORROWERS:

**BAFFINLAND IRON MINES
CORPORATION**

by _____

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

by _____

GUARANTORS:

NUNAVUT IRON ORE, INC.

by _____

12334992 CANADA INC.

by _____

SCHEDULE A

~~APPROVED CASH FLOW~~ DIP FACILITY COMMITMENTS

<u>DIP Lender</u>	<u>DIP Commitment</u>	<u>Notice Information</u>
<u>Brigade Capital Management, LP</u>	<u>\$22,000,000</u>	
<u>Citadel Advisors LLC</u>	<u>\$8,000,000</u>	
<u>Polen Capital Credit, LLC</u>	<u>\$45,000,000</u>	
<u>Opps XII BLIM Holdings, L.P.</u>	<u>\$180,000,000</u>	<u>Oaktree Capital Management</u> <u>555 South Flor Street, 36th Floor</u> <u>Los Angeles, CA 90071</u> <u>Attention: David Nicoll</u> <u>Email: dnicoll@oaktreecapital.com</u>
<u>Hartree Partners, LP</u>	<u>\$45,000,000</u>	<u>Hartree Partners, LP</u> <u>1185 Avenue of the Americas, New</u> <u>York, NY 10036</u> <u>Attention: Scott Potolsky</u> <u>Email:</u> <u>HMFI-notices@hartreepartners.com</u> <u>CC: legalNY@hartreepartners.com</u>
<u>Total.....</u>	<u>\$300,000,000</u>	

SCHEDULE B

APPROVED CASH FLOW FORECAST

SCHEDULE C

LOAN GUARANTY

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

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

(c) No Discharge or Diminishment of Guaranty.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

DIP FACILITY LOAN AGREEMENT

DATED AS OF May 25, 2026

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

AND WHEREAS the DIP Lenders have agreed to provide the DIP Facility (defined below) in accordance with the terms and conditions set out below to provide financing in order to fund certain obligations of the Borrowers to allow them time to implement the most efficient restructuring and financing to maximize value to all stakeholders.

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

1. **Defined Terms:** A capitalized term not defined in the body of this Agreement has the meaning ascribed to it in the Definitions section below.
2. **Interpretation:** In this Agreement, words signifying the singular number include the plural and *vice versa*, and words signifying gender include all genders. Every use of the word "including" in this Agreement is to be construed as meaning "including, without limitation".

The division of this Agreement into Sections and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement.

References in this Agreement to Sections or Schedules are to be construed as references to a Section or Schedule of or to this Agreement unless the context requires otherwise.
3. **Currency:** Unless otherwise stated, all monetary denominations shall be in lawful currency of the United States of America.
4. **Borrowers:** Baffinland Iron Mines Corporation ("**BIM Corp**") and Baffinland Iron Mines LP ("**Baffin LP**" and, together with BIM Corp, the "**Borrowers**").
5. **Guarantors:** Means Nunavut Iron Ore, Inc. and 12334992 Canada Inc. (collectively, the "**Guarantors**" and collectively with the Borrowers, the "**Obligors**").
6. **DIP Lenders:** The institutions described in Schedule A (on behalf of themselves and their affiliates and managed funds) hereby commit to provide the DIP Facility, on a several and not joint basis, in the respective amounts set forth adjacent to each such institution's name in Schedule A upon the

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

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

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

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

7. **DIP Facility:** The DIP Lenders agree to establish in favour of the Borrowers a debtor-in-possession delayed draw term loan facility (the “**DIP Facility**” and, the loans thereunder, the “**DIP Loans**”) in the principal amount equal to \$70 million (collectively, the “**Loan Amount**”).

8. **DIP Advances:** An initial advance under the DIP Facility in the principal amount of \$50 million (the “**Initial Advance**”) shall be made available to the Borrowers and shall be deposited into the Borrowers’ Account (defined below) within one (1) Business Day after the date of the entry of the Second Amended and Restated Initial Order (defined below), provided the Initial Advance Conditions are satisfied as of such date.

Subsequent advances under the DIP Facility (each, a “**Subsequent Advance**”) shall be made available to the Borrowers and shall be deposited into the Borrowers’ Account (defined below) as agreed by the Borrowers and the Required DIP Lenders, with each Subsequent Advance being in an amount no less than \$20 million against the Approved Cash Flow Forecast, in each case subject to the satisfaction of the Subsequent Advance Conditions (as defined below). The sum of the Initial Advance and the Subsequent Advances shall not exceed the Loan Amount. The timing and amount of each Subsequent Advance shall be determined based on the funding needs of the Borrowers as set forth in the Approved Cash Flow Forecast, and Subsequent Advances shall only be available and provided hereunder after the Borrowers have received the entirety of the Initial Advance.

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

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

9. **Use of Proceeds:** The proceeds of the DIP Facility shall be used solely by the Borrowers in accordance with the Approved Cash Flow Forecast, which shall include provision for payment, in all respects subject to and to the extent included in the Approved Cash Flow Forecast, of (i) the fees of the Monitor and its counsel and counsel for the Borrowers, (ii) interest, fees (including the Funding Fee) and other amounts owing to the DIP Lenders under this Agreement, and (iii) pre and post-filing expenses payable to the DIP Lenders or their advisors under the Senior Credit Agreement, the Indenture, or the DIP Facility (including, without limitation, those set forth in section 13) and ordinary course payments for the Borrowers' working capital needs during the CCAA Proceeding, including, post-filing accounts payable in the ordinary course of the Business and Priority Payables, as set forth in the Approved Cash Flow Forecast. Without the prior written consent of the Required DIP Lenders no proceeds may be used for any other purpose, and no expenditures shall be made, for any purpose that is not included in the Approved Cash Flow Forecast.
10. **Assignment by the Borrowers:** The Borrowers shall not be permitted to assign this Agreement without the prior written consent of each DIP Lender.
11. **Evidence of Indebtedness:** The DIP Agent shall maintain a register evidencing Advances and repayments under the DIP Facility and all other amounts owing from time to time hereunder. The DIP Agent register constitutes, in the absence of

manifest error, *prima facie* evidence of the Indebtedness of the Borrowers to the DIP Lenders pursuant to the DIP Facility.

12. **Interest; Fees**

All amounts owing by the Borrowers hereunder to the DIP Lenders on account of the principal, overdue interest and expenses shall bear interest at a rate per annum equal to Adjusted Term SOFR (which, for purposes of this Agreement, shall have the meaning given to such term in the Senior Credit Agreement, treating the DIP Loans as SOFR Loans thereunder and utilizing a one-month Interest Period as set forth below) plus 7.00%, payable entirely in cash on each Interest Payment Date (the "**Interest Rate**"). To the extent permitted by Law, effective upon the occurrence of and during the continuance of an Event of Default, all amounts owing to the DIP Lenders hereunder by the Borrowers on account of principal, overdue interest and expenses shall bear interest at the Interest Rate plus an additional 2% per annum (the Interest Rate, as increased, the "**Default Rate**").

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

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

Upon the indefeasible repayment in full of the DIP Facility and all other DIP Obligations and cancellation of all remaining commitments in respect thereof, the Borrowers shall pay an exit fee, in cash, in an amount equal to 3% of the aggregate committed amount of the DIP Facility, being equal to \$1,200,000 (the "**Funding Fee**"), which Funding Fee is fully earned on execution hereof, provided that the Funding Fee shall not be payable if the DIP Facility and all DIP Obligations are repaid in full from an Alternative Financing Arrangement before the Stated Maturity Date.

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

13. **Other Costs and Expenses:**

The Borrower shall pay all reasonable and documented third-party costs and expenses of the DIP Agent, the DIP Lenders and the Fronting Lender for all due diligence and all reasonable and documented fees, expenses and disbursements of advisors (which, for the avoidance of doubt, shall include (i) Stikeman Elliott LLP, as counsel to the Senior Lenders, (ii) Paul, Weiss, Rifkind, Wharton & Garrison LLP, as special counsel to the Senior

Lenders, (iii) a financial advisor to the Senior Lenders, (iv) Akin Gump Strauss Hauer & Feld LLP, as counsel to the Holder AHG, (v) Cassels Brock & Blackwell LLP, as counsel to the Holder AHG and (vi) Houlihan Lokey, as financial advisor to the Holder AHG) in connection with the preparation, negotiation and consummation of this Agreement or any other Restructuring Transaction, the administration of the DIP Facility and participation in the CCAA Proceeding, including any reasonable and documented third-party costs and expenses incurred by the DIP Agent, the DIP Lenders and the Fronting Lender in connection with the enforcement of any of the rights and remedies available hereunder or under the DIP Security (collectively, the **"DIP Lender Expenses"**). The DIP Lender Expenses shall form part of the DIP Obligations secured by the DIP Charge (as defined below). All accrued DIP Lender Expenses incurred prior to date of the Initial Advance (including prior to the filing of the CCAA Proceeding) shall be paid in full through deduction from the Initial Advance.

14. **Approved Cash Flow Forecast:**

Attached hereto as Schedule B is a detailed cash flow projection (the **"Approved Cash Flow Forecast"**), which is in form and substance satisfactory to the Required DIP Lenders and which may include, *inter alia*, provision for payments on account of any interest and expenses which may be payable under the DIP Facility, rent and other occupancy costs, supplier payments, post-filing accounts payable in the ordinary course of the Business, Priority Payables, payments of amounts payable under the Benefits Agreement, and the costs and expenses associated with the CCAA Proceeding.

Notwithstanding any other provision of this Agreement, neither the DIP Agent nor the DIP Lenders shall be obligated to make any advance under the DIP Facility which does not comply with or adhere to the Approved Cash Flow Forecast. The Approved Cash Flow Forecast may only be updated with the consent of the Required DIP Lenders, in their sole discretion.

For the avoidance of doubt, the Approved Cash Flow Forecast will include payment of all reasonable and documented out of pocket fees and expenses of advisors to EDC, the Senior Agents, the Senior Lenders and the Holder AHG (which, for the avoidance of doubt, shall include (i) Stikeman Elliott LLP, as counsel to the Senior Lenders, (ii) Paul, Weiss, Rifkind, Wharton & Garrison LLP, as special counsel to the Senior Lenders, (iii) a financial advisor to the Senior Lenders, (iv) Akin Gump Strauss Hauer & Feld LLP, as counsel to the Holder AHG, (v) Cassels Brock & Blackwell LLP, as counsel to the Holder AHG and (vi) Houlihan Lokey, as financial advisor to the Holder AHG).

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

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

- (a) the Court shall have issued the Second Amended and Restated Initial Order in form and substance satisfactory to the DIP Agent,

the Required DIP Lenders and the Fronting Lender, acting reasonably, among other things:

- (i) authorizing and approving this Agreement;
- (ii) granting the DIP Charge and the priority of the DIP Charge contemplated in this Agreement;
- (iii) granting a stay of proceedings until no earlier than September 30, 2026;
- (v) providing for provisional execution in respect of any and all Advances made and/or Liens and/or charges granted for the DIP Loans, including the DIP Charge;

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

- (b) all reasonable and documented third-party expenses payable to the DIP Agent, the DIP Lenders and the Fronting Lender hereunder will be paid from the proceeds of the Initial Advance on the date of the Initial Advance; and
- (c) the DIP Lenders shall have received an Advance Notice in accordance with the terms hereof;
- (d) no Default or Event of Default shall have occurred and be continuing or will occur as a result of the Initial Advance;
- (e) the DIP Agent and the Required DIP Lenders shall be satisfied that there are no Encumbrances on the Collateral ranking in priority to or *pari passu* with the DIP Charge other than as expressly permitted by the terms hereof; and
- (f) the Obligors shall have delivered to the DIP Agent customary officer's certificates and authorizing directors' resolutions, in form and substance satisfactory to the Required DIP Lenders.

16. **Conditions
Precedent to
Advances of
the Loan
Amount (other
than the Initial
Advance):**

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

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

- (b) the Second Amended and Restated Initial Order has not been amended, restated or modified in a manner that materially adversely affects the rights, remedies or interests of the DIP Lenders without the prior written consent of the Required DIP Lenders; *provided* that any such modification which would require the consent of a given DIP Lender under section 33 hereof be subject to such DIP Lenders' consent;
- (c) the DIP Lenders shall have received an Advance Notice in accordance with the terms hereof;
- (d) the DIP Lenders shall have received an updated Approved Cash Flow Forecast, if requested by the DIP Lenders;
- (e) all reasonable and documented third-party expenses payable to the DIP Agent, the DIP Lenders and the Fronting Lender hereunder have been paid or will be paid from the proceeds of the requested Advance on the date of the applicable Advance;
- (f) there shall be no Encumbrances on the Collateral ranking in priority to or *pari passu* with the DIP Charge other than as expressly permitted by the terms hereof;
- (g) no Default or Event of Default shall have occurred and be continuing or will occur as a result of the requested Advance;
- (h) the Obligors shall be in compliance in all material respects with all covenants and obligations contained in this Agreement;
- (i) the Borrowers are in compliance with the current Approved Cash Flow Forecast (subject to Permitted Variances) as at the date of the proposed Advance; and
- (j) all conditions precedent in section 15 immediately above in this Agreement shall have been and continue to be satisfied on the date of such Advance.

17. **DIP Charge:** All of the obligations of the Obligors under or in connection with the DIP Facility, including without limitation, all principal, interest, fees and amounts owing in respect of reasonable and documented third-party expenses of the DIP Agent, the DIP Lenders and the Fronting Lender (collectively, the "**DIP Obligations**"), shall be secured by a Court-ordered charge on the Collateral in favour of the DIP Agent, for the benefit of the DIP Lenders (the "**DIP Charge**").

The DIP Charge shall rank ahead of any and all Encumbrances on the Collateral other than the administration charge not exceeding \$5.0 million, to be granted by the Court and the directors and officers charge not exceeding \$20.4 million, to be granted by the Court (collectively, the "**Priority Charges**"). All Collateral will be free and clear of all Encumbrances, except for Permitted Liens.

18. **DIP Security:** The Guarantors hereby guarantee in favour of the DIP Agent, for the benefit of the DIP Lenders, the payment and performance of the DIP

Obligations of the Borrowers pursuant to the terms set forth in Schedule C hereto.

The DIP Security shall continue as a first priority Encumbrance on the Collateral in favour of the DIP Agent, for the benefit of the DIP Lenders, subject to subordination only in respect of the Priority Charges and Priority Payables.

19. **Hedging Obligations** Notwithstanding anything herein to the contrary, Hedging Obligations owing to any DIP Lender may be secured by liens which are equal in priority to the DIP Security.
20. **Borrowers' Account:** Advances shall be deposited into a bank account to be designated by the Borrowers (the "**Borrowers' Account**") and utilized by the Borrowers in accordance with the terms of this Agreement.
21. **Repayment and Maturity Date:** All DIP Obligations shall be due and payable on the earliest of the occurrence of any of the following:
- (a) conversion of the CCAA Proceeding into a proceeding under the *Bankruptcy and Insolvency Act* (Canada);
 - (b) the occurrence of an Event of Default and a demand for payment by the DIP Agent (at the request of the Required DIP Lenders);
 - (c) the completion of an Alternative Financing Arrangement;
 - (d) the closing of a Restructuring Transaction or combination of Restructuring Transactions; or
 - (e) the date that is sixty (60) days after the date of this Agreement (the "**Stated Maturity Date**")
- (such earliest date, the "**Maturity Date**").
- The DIP Lenders' commitment to make Advances under the DIP Facility shall expire on the Maturity Date and all amounts outstanding under the DIP Facility shall be fully repaid no later than the Maturity Date, without the DIP Lenders being required to make demand upon the Borrowers or Guarantors or to give notice that the DIP Facility has expired and that the obligations thereunder are due and payable.
22. **Payments:** All payments of principal, interest and expenses hereunder, if applicable, shall be made for value in the full amount due at or before 12:00 noon on the day such amount is due by deposit or transfer thereof to the DIP Agent or as the DIP Lenders may direct. Payments received after such time shall be deemed to have been made on the next following Business Day. If any payment is due on a day which is not a Business Day, such payment shall be due on the next following Business Day and interest shall accrue until but excluding the actual date of payment. Each payment to be made by the Borrowers under this Agreement shall be made in full without deduction, set-off or counterclaim of any kind or for any reason. If any

expenses incurred by the Borrowers after the date of this Agreement are not paid by the Borrowers, the DIP Agent may, but shall have no duty to do so, pay all such expenses whereupon such amounts shall be added to and form part of the DIP Obligations and shall reduce the availability under the DIP Facility. Unless otherwise consented to in writing by the Required DIP Lenders, the net cash proceeds of any sale, realization or disposition of, or with respect to, any of the Collateral (including obsolete, excess or worn-out Collateral) out of the ordinary course of business, any cash or other proceeds received out of the ordinary course of business, or any insurance proceeds paid to the Borrowers in respect of such Collateral, shall be paid to the DIP Agent (for the benefit of the DIP Lenders) and applied to reduce the DIP Obligations (for greater certainty, net of transaction fees and applicable Taxes in respect thereof). Any amounts repaid may not be reborrowed.

23. **Indemnity:** The Obligors agree to indemnify and hold harmless the DIP Agent, the DIP Lenders, the Fronting Lender and their respective Affiliates, partners and officers, directors, employees, representatives, advisors, solicitors and agents (collectively, the "**Indemnified Persons**") from and against any and all actions, lawsuits, proceedings (including any investigations or inquiries), claims, losses, damages, liabilities or reasonable and documented third-party expenses of any kind or nature whatsoever which may be incurred by any of the Indemnified Persons (collectively, the "**Claims**") as a result of, in connection with or in any way related to the DIP Facility, the priority of the DIP Charge, the proposed or actual use of the proceeds of the DIP Facility or this Agreement; provided, however, that the Obligors shall not be obligated to indemnify pursuant to this paragraph any Indemnified Person against any Claim (a) to the extent it resulted from the gross negligence, wilful misconduct or bad faith of any Indemnified Person as finally determined by a court of competent jurisdiction, or (b) to the extent arising from any dispute solely among Indemnified Persons other than any Claims arising out of any act or omission on the part of the Obligors. Notwithstanding anything to the contrary herein, the indemnities granted under this Agreement shall survive any termination of the DIP Facility.
24. **Representations and Warranties:** Each Obligor represents and warrants to the DIP Agent and DIP Lenders, upon which the DIP Agent and each of the DIP Lenders has relied in entering into this Agreement that:
- (a) such Obligor is validly formed and existing under the laws of its jurisdiction of incorporation or formation;
 - (b) such Obligor has the power and capacity, and the legal right, to own or lease and operate its property, to carry on its business as now conducted and as proposed to be conducted, and subject to Court approval of this Agreement, to enter into, execute, deliver and perform its obligations under this Agreement;
 - (c) such Obligor has taken all necessary action to authorize the execution, delivery and performance of this Agreement. Subject to

the issuance of the Initial Order, Amended and Restated Initial Order or Second Amended and Restated Initial Order, as applicable, and the terms thereof, no consent or authorization of, filing with, notice to or other act by, or in respect of, any governmental authority or any other person is required in connection with the extensions of credit hereunder or with the execution, delivery, performance, validity or enforceability of this Agreement;

- (d) this Agreement and the transactions contemplated by this Agreement:
 - (i) are within the powers of such Obligor and, subject to the granting of the Second Amended and Restated Initial Order, as applicable, constitute legal, valid and binding obligations of such Obligor, enforceable against it in accordance with the terms hereof;
 - (ii) have been duly authorized, executed and delivered by or on behalf of such Obligor; and
 - (iii) subject to the granting of the Second Amended and Restated Initial Order, as applicable, do not and will not conflict with, contravene, violate or result in a breach of: (A) any of the terms or provisions of such Obligor's constituting documents or by-laws, (B) any material contracts or instruments to which such Obligor is a party or pursuant to which any of its assets or property may be affected or (c) any applicable Law;
- (e) the Business of such Obligor has been and will continue to be conducted in material compliance with all applicable Laws of each jurisdiction in which the Business has been or is being carried on subject to the provisions of the CCAA and any Court order made after the date of the Initial Order;
- (f) such Obligor and its properties and businesses comply in all material respects, and the use of its properties comply in all material respects, with all applicable environmental laws; such Obligor has no knowledge of any facts which result in, or constitute, or are likely to give rise to, non-compliance with any environmental laws in any material respect;
- (g) such Obligor owns, leases or has the lawful right to use all of the material properties and undertaking necessary for the conduct of the business of such Obligor;
- (h) such Obligor has obtained any material Authorizations for the operation of the Business, which Authorizations remain, and after entering into the DIP Facility will remain, in full force and effect. No proceedings have been commenced to revoke or amend any such Authorizations;
- (i) such Obligor does not have any defined benefit pension plans or similar plans and is in material compliance with all applicable Law

- respecting its employees' employment and all collective bargaining agreements to which it is a party or otherwise bound;
- (j) such Obligor and each of its subsidiaries has good and valid title to, or legally binding property right in, or valid leasehold interests in, all real property necessary or used in the ordinary conduct of its business, in each case free and clear of all Liens other than those liens permitted by section 4.10 of the Indenture (as same exists on the date of this Agreement) and except for minor defects in title as could not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the operations, financial condition, and/or future prospects of the Obligors taken as a whole
 - (k) all information provided by or on behalf of such Obligor to the DIP Lenders for the purposes of or in connection with this Agreement or any transaction contemplated herein is, true and accurate in all material respects on the date as of which such information was provided, not incomplete and does not omit to state any fact necessary to make such information (taken as a whole) not materially misleading at such time, in light of the circumstances under which such information was provided; and
 - (l) none of the Obligors owns or controls, directly or indirectly, any subsidiaries which are not Obligors.
 - (m) each Obligor maintains adequate insurance coverage, as is customary with companies in the same or similar business of such type, in such amounts and against such risks as is prudent for a business of its nature with financially sound and reputable insurers and that contain reasonable coverage and scope;
 - (n) except as disclosed to the DIP Lenders in writing by the Obligors, there are no agreements of any kind (i) between the Obligors and any other third party or any holder of debt or Equity Securities of the Obligors with respect to any Restructuring Transaction, which remain in force and effect as of the date hereof, or (ii) between the Borrowers and any related party;
 - (o) other than as stayed pursuant to the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order, there is not now pending or, to the knowledge of any of the senior officers of the Obligors, threatened against the Obligors, nor has any Obligor received notice in respect of, any material claim, potential claim, litigation, action, suit, arbitration or other proceeding by or before any court, tribunal, governmental entity or regulatory body;
 - (p) each Obligor has maintained and paid current its obligations, as applicable, for payroll, source deductions, harmonized, goods and services and retail sales tax, and is not in arrears of its statutory obligations to pay or remit any amount in respect of these obligations;

- (q) the Obligors have valid leasehold interests in all leases, subleases or assignments of leases, and each such lease is in full force and effect, and the Obligors do not have knowledge of any default that has occurred (other than in connection with the CCAA Proceeding);
- (r) the Borrowers have not taken or omitted to take any action that could materially impact their continued operations, including (i) failing to procure any essential products needed before the shipping window closes, (ii) ceasing their mining operations, or (iii) reducing their workforce;
- (s) any information provided by the Borrowers to the DIP Agent and the DIP Lenders on the status of the SISP, the Steensby Railway project and related financing process (the “**Steensby Expansion**”) to date, including any reporting required pursuant hereto, is accurate and complete, and the Obligors have disclosed all material information in respect of such processes to the DIP Agent and the DIP Lenders; and
- (t) no Default or Event of Default has occurred and is continuing.

25. **Affirmative Covenants:**

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

- (a) submit to the Court the Second Amended and Restated Initial Order, and any other Court orders which are being sought by the Obligor in a form confirmed in advance to be satisfactory to the Required DIP Lenders subject to any amendments that are required by the Court or the Obligors that are acceptable to the Required DIP Lenders;
- (b) comply with the provisions of all Court orders made in the CCAA Proceeding, including the Initial Order, Amended and Restated Initial Order and the Second Amended and Restated Initial Order;
- (c) allow each of the DIP Agent, DIP Lenders and their respective employees, agents, advisors and representatives access to all collateral, information and documentation of the Obligors, to visit, inspect and conduct examinations of any of such collateral, information and documentation (including any books and records) and discuss its business operations, properties and financial and other conditions with its officers, employees and independent public accountants, in each case, as may be reasonably requested by the DIP Agent or Required DIP Lenders, during normal business hours, in each case subject to applicable privacy laws and solicitor-client privilege;
- (d) upon the reasonable request of the Required DIP Lenders, provide updates regarding the status of the CCAA Proceeding, including

any information which may otherwise be confidential, subject to same being maintained as confidential by the DIP Lenders;

- (e) preserve, renew, maintain and keep in full force its corporate existence and its Authorizations required in respect of the Business or any of the Collateral;
- (f) keep the DIP Lenders apprised on a timely basis of all material developments with respect to the Business and affairs of the Obligor;
- (g) conduct the Business and preserve, protect and maintain the Collateral in the ordinary course of Business;
- (h) operate and maintain its respective properties and businesses in accordance with industry practice and in accordance with applicable law and all Court orders made in the CCAA Proceeding, including the Initial Order, Amended and Restated Initial Order and the Second Amended and Restated Initial Order;
- (i) maintain in full force all policies and contracts of insurance that are now in effect (or renewals thereof) under which the Obligor, the Business or any of the Collateral is insured;
- (j) except to the extent otherwise agreed by the Required DIP Lenders (acting reasonably), pay all applicable Priority Payables and all other amounts necessary to preserve the Collateral to avoid any Encumbrance thereon and to carry on the business of each Obligor;
- (k) promptly notify the DIP Lenders of the occurrence of any Default or Event of Default or of any event or circumstance which could reasonably be expected to result in a material adverse change to the Approved Cash Flow Forecast;
- (l) comply in all material respects with all applicable Laws, rules and regulations applicable to its business, including environmental laws;
- (m) deliver to the DIP Agent the reporting and other information from time to time reasonably requested by the DIP Agent or the Required DIP Lenders, and any other information pertaining to the business and affairs of the Obligor as reasonably requested by the DIP Agent or any DIP Lender;
- (n) use the proceeds of the DIP Facility in a manner consistent with the restrictions set out herein and in all cases in accordance with the Approved Cash Flow Forecast (subject to Permitted Variances);
- (o) duly and punctually pay or cause to be paid to the DIP Agent on behalf of the DIP Lenders all principal, interest, fees and other amounts payable by it under this Agreement on the dates, at the places and in the amounts set forth herein;

- (p) authorize the Monitor to (i) meet and communicate with the DIP Agent and DIP Lenders and (ii) provide regular reports to the DIP Agent and DIP Lenders with respect to the DIP Facility and the CCAA Proceeding;
- (q) at all times maintain adequate insurance coverage of such kind and in such amounts and against such risks as is customary for the business of the Obligors with financially sound and reputable insurers;
- (r) promptly provide notice to the DIP Agent, the DIP Lenders and their counsel, and keep them otherwise apprised, of any material developments in respect of any Material Contract, and of any material notices, orders, decisions, letters, or other documents, materials, information or correspondence received from any regulatory authority having jurisdiction over any Obligor, subject to any disclosure restrictions contained in any Court order or that, in the opinion of the Obligors (in consultation with the Monitor), each acting reasonably, are necessary to protect the Borrowers' restructuring process;
- (s) promptly upon becoming aware thereof, provide details of any pending, or threatened claims, potential claims, litigation, actions, suits, arbitrations, other proceedings or notices received in respect of same, against any Obligor by or before any court, tribunal, Governmental Authority or regulatory body, which would be reasonably likely to result, individually or in the aggregate, in a judgment in excess of \$1,000,000;
- (t) take all commercially reasonable actions necessary or available to defend the Court orders from any appeal, reversal, modification, amendment, stay or vacating not expressly consented to in writing in advance by the Required DIP Lenders relating to the DIP Facility or the DIP Charge;
- (u) continue business operations in the ordinary course ensuring full utilization of the shipping window, including (i) ensuring fuel and other necessary products for operations are secured for continued operations and (ii) shipping out all ready-to-ship product for sale; and the Borrowers will not materially change employee head count or staffing requirements except as may be needed to optimize cost structure and operations subject to the Approved Cash Flow Forecast and the prior written consent of the Required DIP Lenders;
- (v) maintain and take all action to ensure all material licences and permits required for the foreseeable operation of its business that may be required will be acquired, procured, or otherwise obtained and remain in full force and effect; the Borrowers shall defend each against revocation or amendment thereof; and the Borrowers, upon request of the Required DIP Lenders, will take all action as may be needed to obtain and preserve the permit to

allow for the transportation of up to 6 million tonnes per annum of ore;

- (w) maintain in good repair, working order and condition all material properties and assets used or useful in the business of the Borrowers and make all such appropriate repairs thereto;
- (x) take all commercially reasonable efforts to disclaim all contracts that are not within the Approved Cash Flow Forecast;
- (y) act diligently and in good faith in the pursuit of the CCAA Proceeding;
- (z) establish a risk management program for all business variables that can reasonably affect business operations in consultation with the Required DIP Lenders, and the DIP Lenders shall have a right of first refusal on any Hedging Obligations; and
- (aa) provide the DIP Agent and DIP Lenders and their advisors from time to time, on a confidential basis, with such information regarding the progress of the Obligors' pursuit of a Restructuring Transaction and the Steensby Expansion as may be reasonably requested by the Required DIP Lenders, subject to any disclosure restrictions contained in any Court order, or that, in the opinion of the Obligors (in consultation with the Monitor), each acting reasonably, are necessary to protect the Borrowers' restructuring process; and
- (bb) promptly pay all DIP Lender Expenses no less frequently than every two weeks, provided that the DIP Lenders shall use commercially reasonable efforts to provide reasonable estimates of such expenses for purposes of the Approved Cash Flow Forecast.

26. **Negative Covenants:**

Each Obligor covenants and agrees not to do the following, other than with the prior written consent of the Required DIP Lenders from and after the date hereof:

- (a) make any payment of principal or interest in respect of Indebtedness other than with respect to the DIP Obligations or otherwise provided herein or declare or pay any dividends or make any other distribution, in each case, except as expressly provided for in the Approved Cash Flow Forecast;
- (b) except as set forth in any Court order that is acceptable to the Required DIP Lenders, incur or permit to exist any Indebtedness (including, without limitation, any capital lease obligation, equipment lease or financing lease obligation), or provide or seek or support a motion by another party to provide such Indebtedness;
- (c) except as set forth in any Court order that is acceptable to the Required DIP Lenders, create, permit to exist any Encumbrance,

- or provide or seek or support a motion by another party to provide an Encumbrance, upon any Collateral;
- (d) create or permit to exist any Liens on any of its properties or assets other than the Permitted Liens;
 - (e) make any payments or use any monies (including, without limitation, proceeds of the DIP Facility) outside of the ordinary course of Business, unless provided for in the Approved Cash Flow Forecast (subject to Permitted Variances);
 - (f) make any investments in, acquisitions of or loans to or guarantee the Indebtedness or obligations of any other Person, entity or assets, except as expressly provided for in the Approved Cash Flow Forecast;
 - (g) enter into or continue performance under any transaction with any affiliate or any of its or its affiliates' respective direct or indirect equity holders, senior officers, directors, managers or employees, except in the ordinary course of business for a bona fide business purpose and not for any other purpose, except as expressly provided for in Approved Cash Flow Forecast
 - (h) enter into or continue performance under any transaction which does not provide for fair and reasonable terms which are no less favorable than those that would be obtained in arm's-length transactions of a similar type;
 - (i) make any type of payment, or otherwise satisfy any claim, purported claim, liability, or other obligation, including without limitation of any pre-CCAA filing claim, that is not expressly provided for by the Approved Cash Flow Forecast (subject to Permitted Variances);
 - (j) change its jurisdiction of incorporation or registered office;
 - (k) change its name, fiscal year end or accounting policies or amend its organizational documents;
 - (l) cease to carry on the Business as currently being conducted or materially change its operations or business practices;
 - (m) sell, assign, lease, convey or otherwise dispose of or transfer any of its property, assets or undertakings, except as may be approved by the Court with the prior written consent of the Required DIP Lenders;
 - (n) except as otherwise contemplated in any Court order and approved by the Required DIP Lenders or as expressly contemplated by the Approved Cash Flow Forecast, establish or make any retention or bonus payments, increase compensation or severance entitlements or other benefits payable to directors, senior officers or senior management, or pay any bonuses whatsoever;

- (o) enter into any settlement agreement or agree to any settlement arrangements with any regulatory authority or in connection with any material litigation, arbitration, other investigations, proceedings or disputes or other similar proceedings which are threatened or pending against the Obligor;
- (p) enter into any amalgamation, reorganization, liquidation, dissolution, winding-up, merger or other similar transaction or series of transactions, allow any change of control to occur, or create or acquire any new subsidiary or become a general partner in any partnership;
- (q) amend, supplement, revoke, terminate or discharge or seek to amend, supplement, revoke, terminate or discharge, the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order, except to amend and restate the Initial Order as may be permitted by this Agreement;
- (r) apply for or consent to, any Court order, or amendment or modification to an existing Court order which adversely affects or could reasonably be expected to adversely affect the DIP Agent or the DIP Lenders;
- (s) file or support the confirmation of any plan of arrangement or liquidation, in each case, that treats the DIP Obligations as "affected" without the consent of the Required DIP Lenders;
- (t) (i) enter into any material transaction or material agreements or (ii) amend or modify any existing agreements or transaction terms, in each case, including royalty agreements, Alternative Offtake and Service Agreements, or similar agreements, without the consent of the Required DIP Lenders;
- (u) satisfy the delivery or other performance obligations and/or payment obligations under its contracts with Glencore plc or any of its affiliates, including, without limitation, any obligations to process or deliver iron ore;
- (v) take (or omit to take) any action to the extent such action could reasonably be expected to materially impair or otherwise adversely affect the ability of the Obligors to utilize any net operating losses, tax credit carry-forwards, built-in losses, basis, deductions or other tax attributes or benefit, in each case, without the prior written consent of the Required DIP Lenders;
- (w) issue any Equity Securities, create any new class of Equity Securities, amend any terms of its existing Equity Securities, or consent to or take any steps in furtherance of the exercise of any conversion right under any Equity Securities issued by it, other than in connection with a Restructuring Transaction approved pursuant to a Court order;
- (x) seek, obtain, support, make or permit to be made any Court order or any change, amendment or modification to any Court order that would materially affect the rights or protections of the DIP Agent

or the DIP Lenders under or in connection with the DIP Facility or the DIP Charge, except with the prior written consent of the Required DIP Lenders, in their sole discretion;

- (y) seek or consent to the lifting of the stay of proceedings in the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order, as applicable, in favour of the Borrowers, or seek or consent to the appointment of a receiver or trustee in bankruptcy or any similar official in any jurisdiction;
- (z) make any changes to the composition of the board of directors of the Borrowers (including the addition, removal or replacement of directors, other than a resignation by a director), other than pursuant to a Court order and with the Required DIP Lenders' approval (in their sole discretion); or
- (aa) pay any professional or advisory fees (including any legal fees or expenses) of any other Person (other than the Borrowers, the DIP Agent, the DIP Lenders and the Monitor) that are not provided for in the Approved Cash Flow Forecast, except pursuant to the terms of a binding support agreement with such Person with respect to a Restructuring Transaction that is acceptable to the Required DIP Lenders, or as may otherwise be agreed to by the Required DIP Lenders and the Borrowers (in consultation with the Monitor).

27. **Alternative Financing Arrangement and Sales and Investment Solicitation Process; Expansion:** Use commercially reasonable efforts to: (i) schedule a hearing as soon as feasible and secure an Alternative Financing Arrangement; and (ii) (in consultation with the Monitor and the DIP Lenders) prepare for and pursue a sales and investment solicitation process in form and substance acceptable to the Borrowers and the Supermajority DIP Lenders (the "**SISP**") approved pursuant to a Court order in respect of potential Restructuring Transactions; provided further however that nothing herein shall prohibit the pursuit of a Restructuring Transaction pursuant to a Court approved plan at any time. For the avoidance of doubt, any DIP Lender or the DIP Agent may participate as a bidder in connection with any SISP in respect of potential Restructuring Transactions or Alternative Offtake and Service Agreements.

28. **Events of Default:** The occurrence of any one or more of the following events shall constitute an event of default (each, an "**Event of Default**") under this Agreement:

- (a) any Court order is issued, dismissed, stayed, reversed, vacated, amended or restated and such issuance, dismissal, stay, reversal, vacating, amendment or restatement which (i) stays, reverses, vacates or otherwise modifies this Agreement or (ii) adversely affects or would reasonably be expected to adversely affect the interest of the DIP Agent or DIP Lenders in a material manner, unless the DIP Agent or Required DIP Lenders, as applicable, have given their prior written consent thereto, including the issuance of a Court order:

- (i) appointing a receiver and manager, receiver, interim receiver or similar official in respect of an Obligor;
 - (ii) terminating, lifting or amending the stay imposed within the CCAA Proceeding in a manner which, in the opinion of the Required DIP Lenders, acting reasonably, is materially prejudicial to the DIP Lenders;
 - (iii) granting any other claim or Encumbrance of equal or priority status to that of the DIP Charge, other than the Priority Charges or the Priority Payables; or
 - (iv) prejudicially affecting the DIP Agent, DIP Lenders or the Collateral;
- (b) failure of an Obligor to diligently oppose any party that brings an application or motion for any of the relief set out in subsection 27(a) above and/or the failure to secure the dismissal of such motion or application within 30 days from the date that such application or motion is brought (provided no affirmative Court order is issued on such motion or application during such period);
- (c) the CCAA Proceeding is terminated or converted to bankruptcy proceedings;
- (d) failure of the Borrowers to pay (i) principal, interest or other amounts when due pursuant to this Agreement or any other document entered into in connection herewith, or (ii) any reasonable and documented third-party expenses payable to the DIP Agent, the DIP Lenders or the Fronting Lender within two (2) Business Days of being invoiced therefor, and such failure, in the case of each of items (i) and (ii), remains unremedied for more than two (2) Business Days;
- (e) any Obligor ceases to carry on or maintain the Business or its assets in the ordinary course of the Business in compliance with the covenants contained in this Agreement, except where such cessation is otherwise consented to in advance in writing by the Required DIP Lenders;
- (f) any representation or warranty made or given hereunder by any Obligor shall be incorrect or misleading in any material respect when made;
- (g) any material violation or breach of any court order by an Obligor;
- (h) failure of an Obligor perform or comply with any term or covenant of this Agreement and such failure shall continue uncured for more than five (5) Business Days after the earlier to occur of (i) any one or more of the Obligors having knowledge of such Event of Default or (ii) written notice of such Event of Default from the DIP Agent to the Borrowers, in either case, at the direction of the Required DIP Lenders to the Borrowers;
- (i) any proceeding, motion or application is commenced or filed by the Obligors, or if commenced by another party, supported or

otherwise consented to by the Obligors, seeking the invalidation, subordination or other challenging of the terms of the DIP Facility, the DIP Lenders' Charge, or this Agreement;

- (j) an Obligor makes any payments of any kind not permitted by this Agreement, the Approved Cash Flow Forecast (subject to Permitted Variances) or any order of the Court or any failure to remain in compliance with the Approved Cash Flow Forecast, subject to Permitted Variances;
- (k) any plan is filed or sanctioned by the Court in a form and in substance that is not acceptable to the Required DIP Lenders if such plan does not either provide for the repayment of the obligations under the DIP Facility in full by the Maturity Date, or designate the DIP Lenders as unaffected by such plan;
- (l) any Obligor shall file a motion seeking, or take any action supporting a motion seeking, or the Court shall issue, an order, authorizing the sale or liquidation its assets unless, in each case, either (i) the Required DIP Lenders consent to the filing of such motion, , or (ii) the Court order approving such sale or liquidation contemplates payment in full in cash of all the DIP Obligations;
- (m) any event or occurrence that materially adversely affects the Obligors, their business or their assets, in each case taken as a whole, as determined by the Required DIP Lenders in their sole discretion;
- (n) a default (other than a default resulting from the insolvency of the Borrowers or the commencement of the CCAA Proceeding by the Borrowers, including, for greater certainty, as a result of failure to pay pre-filing amounts as a result of the commencement of the CCAA Proceeding) under any Material Contract, or any material amendment of any Material Contract unless agreed to by the Required DIP Lenders in writing;
- (o) any change of control of any one or more of the Obligors without the consent of the Required DIP Lenders;
- (p) any Authorization issued to any Obligor is terminated, revoked, or suspended and such termination, revocation, or suspension has or could reasonably be expected to have a material adverse on the operations, financial condition, and/or future prospects of the Obligors taken as a whole;
- (q) any Obligor does not comply with any term or condition of the SISP, including without limitation not satisfying any milestone action required to be completed in the SISP by the date on which such milestone action item is required to be completed under the SISP and remaining in compliance with such action item thereafter, as applicable;
- (r) the priority of the Liens as contemplated hereby created pursuant to or under the DIP Security in favor of the DIP Agent for the benefit of the DIP Lenders is varied without the consent of the DIP

Agent at the direction of the DIP Lenders or any of such Liens does not have the priority required hereunder for any reason in any jurisdiction;

- (s) any Obligor commences an action or any other proceeding in any proceeding or in any other court (i) to obtain any form of relief against the DIP Agent or DIP Lenders (or any one or more of them) including without limitation a proceeding to recover damages from the DIP Agent or the DIP Lenders or to obtain payment of any amounts purported to be owing by the DIP Agent or the DIP Lenders (or any one or more of them) to any Obligor if the DIP Agent or the DIP Lenders (or any one or more of them) disputes any of the same or (ii) to challenge in any way the enforceability of this Agreement or any document entered in connection herewith or the Liens granted under or pursuant to the DIP Security;
- (t) any Obligor seeks, or consents to, any amendment of the SISP without the prior written consent of the DIP Agent at the direction of the Supermajority DIP Lenders;
- (u) the expiry without further extension of the stay of proceedings in the CCAA Proceeding;
- (v) the denial or purported repudiation by any Obligor of the legality, validity, binding nature, or enforceability of this Agreement or any document entered into in connection herewith, or any Obligor commencing any action or proceeding in any proceeding for a declaration or order to such effect;
- (w) this Agreement or any other document entered into in connection herewith (and for certainty including without limitation the DIP Security) ceases to be enforceable;
- (x) except as stayed by order of the Court, the entry of one or more final judgements, writs of execution, garnishments or attachments representing a claim or claims in excess of \$100,000 or the equivalent amount thereof in any other currency, in the aggregate, against any Obligor or the property and assets of any Obligor which are subject to the Liens in favor of the DIP Agent for the benefit of the DIP Lenders that is not released, bonded, satisfied, discharged, vacated, stayed or accepted for payment by an insurer within 30 days after its or their entry, commencement or levy;
- (y) any Obligor seeks the approval of any Alternative Financing Arrangement by the Court that does not provide for the full repayment in cash of the DIP Facility and the DIP Obligations;
- (z) any Obligor shall incorporate, create, or organize any new subsidiaries after the date of this Agreement;
- (aa) (i) any changes by any Obligor to the composition of its board of directors or (ii) any Obligor retains or appoints a chief restructuring

officer or Person in a similar role , in each case without the prior consent of the Required DIP Lenders or a Court order.

- (bb) any Court order is issued pointing a chief restructuring advisor or similar role, or expending the role of the Monitor, in each case, without the consent of the Required DIP Lenders.

29. **Remedies:**

Upon the occurrence and continuance of an Event of Default, the DIP Agent (acting at the direction of the Required DIP Lenders) or the Required DIP Lenders may elect on prior written notice to the Borrowers and the Monitor to:

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

The DIP Agent (acting at the direction of the Required DIP Lenders) may use (for certainty, on the instructions of the Required DIP Lenders in accordance with the definition thereof and section 33) any or all of the DIP Obligations as a credit bid and/or to pay for some or all of the purchase price (including any deposit payable in connection with such transaction) in connection with (a) any purchase of some or all of the properties and assets of the Borrowers and the Guarantors (or any one or more of them), (b) any Restructuring Transaction agreed to by the Borrowers (in consultation with the Monitor) and the Required DIP Lenders, in each case subject to any Court order and such reasonable terms and conditions as may be required in the opinion of the Borrowers (in consultation with the Monitor), each acting reasonably, to protect the Borrowers' restructuring process.

30. **Taxes:**

All payments by an Obligor under this Agreement, including any payments required to be made from and after the exercise of any remedies available to the DIP Agent and/or the DIP Lenders upon the occurrence and continuance of an Event of Default, shall be made free and clear of, without reduction for or on account of, any present or future Taxes; provided, however, that if any Taxes are required by applicable Law to be

withheld ("**Withholding Taxes**") from any amount payable to the DIP Lenders under this Agreement, the amounts so payable to the DIP Lenders shall be increased to the extent necessary to yield to the DIP Lenders on a net basis after payment of all Withholding Taxes, the amount payable hereunder at the rate or in the amount specified hereunder and the Obligors shall provide evidence satisfactory to the Required DIP Lenders that the Taxes have been so withheld and remitted.

If the Borrowers pay an additional amount to the DIP Lenders to account for any Withholding Taxes, the DIP Lenders shall reasonably cooperate with the Borrowers to obtain a refund of the amounts so withheld, including filing income tax returns in applicable jurisdictions, claiming a refund of such Withholding Tax and providing evidence of entitlement to the benefits of any applicable tax treaty. The amount of any refund so received, and interest paid by the tax authority with respect to any refund, shall be paid over by the DIP Lenders to the Borrowers promptly. If reasonably requested by the Borrowers, the DIP Lenders shall apply to the relevant taxing authority to obtain a waiver from such withholding requirement, and the DIP Lenders shall cooperate with the Borrowers and assist the Borrowers to minimize the amount of Withholding Tax required, in each case at the Borrowers' sole expense.

31.	Termination by Borrowers	The Borrowers shall be entitled to terminate this Agreement upon notice to the DIP Lenders at any time following the indefeasible payment in full in immediately available funds of all of the outstanding DIP Obligations. Effective immediately upon such termination, all obligations of the Borrowers and the DIP Lenders under this Agreement shall cease, except for those obligations that explicitly survive termination. For greater certainty, all outstanding DIP Obligations in respect of all Advances funded prior to such termination shall become immediately due and payable concurrently with such termination and the DIP Lenders shall not be required to make any further extensions of credit under this Agreement.
32.	Further Assurances:	The Obligors shall, at their own expense, from time to time do, execute and deliver or will cause to be done, executed and delivered, all such further acts, documents (including, without limitation, certificates, declarations, affidavits, reports and opinions) as the Required DIP Lenders may reasonably request for the purpose of giving effect to this Agreement.
33.	Entire Agreement:	This Agreement constitutes the entire agreement between the parties related to the subject matter hereof. To the extent there is any inconsistency between this Agreement and any other documents entered into in connection herewith, this Agreement shall prevail.
34.	Amendments and Waivers:	No waiver or delay on the part of the DIP Lenders in exercising any right or privilege hereunder will operate as a waiver hereof or thereof unless

made in writing and delivered in accordance with the terms of this Agreement.

All consents, waivers or amendments to or in connection with this Agreement and the DIP Facility and the transactions contemplated hereby or thereby must be in writing and if approved in writing by the DIP Agent at the direction of the Required DIP Lenders shall be binding on all of the DIP Lenders including those Lenders which did not execute any such consent, waiver or amendment; and any matters, documents or other things required to be acceptable or satisfactory to the DIP Lenders are and shall be deemed to be acceptable and satisfactory to all the DIP Lenders if acceptable or satisfactory to the DIP Agent at the direction of the Required DIP Lenders; provided that and for certainty, no consent, waiver or amendment shall be binding on the DIP Lenders unless each of the DIP Lenders executes a consent, waiver or amendment for any of the following matters: (a) increase the amount of any Lender's DIP Facility commitment amount; (b) change to the Maturity Date; (c) postpone or delay the date for payment of any principal, interest or other DIP Obligations; (d) reduce the principal amount owing by the Borrowers or the rate of interest or any other fees applicable to amounts owing or to become owing hereunder or under the other documents in connection herewith; (e) change the pro rata commitments of any of the DIP Lenders in connection with the DIP Facility; (f) amend this section 33, the definition of "Required DIP Lenders", the definition of "Supermajority DIP Lenders" or any provision providing for consent or other action by all or any specific percentage or portion of the DIP Lenders; (g) discharge any Obligor from its payment obligations under hereunder or under any other document in connection herewith or release any DIP Security except as may be expressly provided for in this Agreement; or (h) amend the terms and conditions of the application of proceeds of any repayments or the sharing of payments; provided further that any consent, amendment, waiver or other modification with respect to this Agreement that would adversely and disproportionately modify the rights of any DIP Lender (in its capacity as such) under the DIP Facility compared to other DIP Lenders shall require the prior written consent of each such affected DIP Lender. Notwithstanding anything to the contrary contained herein, any consent, amendment, waiver or other modification that subordinates, or has the direct or indirect effect of subordinating, (x) any DIP Obligations in right of payment to any other Indebtedness for borrowed money or (y) any Liens securing the DIP Obligations to any Liens securing any other Indebtedness for borrowed money, in each case, shall require the prior written consent of the Supermajority DIP Lenders.

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

35. Severability:

Any provision in this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining

provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

36. **No Third Party Beneficiary:** No Person, other than the Obligors and the DIP Lenders are entitled to rely upon this Agreement and the parties expressly agree that this Agreement does not confer rights upon any party not a signatory hereto.
37. **Counterparts and Facsimile Signatures:** This Agreement may be executed in any number of counterparts delivered by e-mail, including in PDF format, each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same instrument. Any party may execute this Agreement by signing any counterpart of it.
38. **Assignment:** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. Upon the Borrowers' acceptance of this Agreement, this Agreement shall be amended and restated to include provisions pursuant to which DIP Lenders may assign DIP Loans and/or sell participations in DIP Loans. Any DIP Lender may assign its rights and obligations under the DIP Facility, in whole or in part, to any Person acceptable to such DIP Lender, in its sole and absolute discretion.
39. **Notices:** Any notice, request or other communication hereunder to any of the parties shall be in writing and be well and sufficiently given if delivered personally or sent by electronic mail to the attention of the Person as set forth below:

in the case of a notice to the Obligors at:

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

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

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

Davies Ward Phillips & Vineberg LLP
155 Wellington St. W.
Toronto, ON M5V 3J7
Attention: Natalie Renner and Rob Nicholls
Email: nrenner@dwpv.com and rnicholls@dwpv.com

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

Shall be sent to all DIP Lenders, until DIP Agent is appointed.

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

See Schedule "A".

In either case, with a copy to the Monitor:

FTI Consulting Canada Inc.

Attention: Jeffrey Rosenberg

Email: Jeffrey.rosenberg@fticonsulting.com

With a copy to, which shall not constitute notice:

Osler, Hoskin & Harcourt LLP

First Canadian Place, 100 King St. W. #6200

Toronto, ON M5H 1H1

Attention: Marc Wasserman and Michael De Lellis

Email: mwasserman@osler.com and mdelellis@osler.com

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

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

40. **Governing Law and Jurisdiction:** This Agreement shall be governed by, and construed in accordance with, the Laws of the Province of Ontario and the federal Laws of Canada applicable therein.
41. **Definitions:** For the purposes of this Agreement, unless context otherwise requires, the following terms have the respective meanings set out below, and grammatical variations of such terms have corresponding meanings:
- "Advance" has the meaning given to that term in section 8;
- "Advance Notice" has the meaning given to that term in section 8;
- "Affiliate" of any Person means, at the time such determination is being made, any other Person controlling, controlled by or under common control with such first Person, where "control" means the possession, directly or indirectly, of the power to direct the management and policies of such Person, whether through the ownership of voting securities or otherwise;

"Agreement" means this Agreement, including all Schedules, as it may be modified, amended, revised, restated, replaced, supplemented or otherwise changed from time to time and at any time hereafter;

"Alternative Financing Arrangements" means any other agreement or arrangement entered into by the Obligors with any other Person for the provision of debtor-in-possession financing, in accordance with the terms hereof and subject to approval of the Court;

"Amended and Restated Initial Order" means the order of the Court entered on May 25, 2026;

"Alternative Offtake and Service Agreements" means offtake, service or other agreements in respect of the business of the Borrowers;

"Approved Cash Flow Forecast" has the meaning given to that term in section 14;

"Authorization" means, with respect to any Person, any order, permit, approval, consent, waiver, licence or similar authorization of any Governmental Authority related to the Collateral or the Business;

"Benefits Agreement" means the impact benefits agreement between BIM Corp. and the Qikiqtani Inuit Association dated September 6, 2013, as amended on October 22, 2018, and as may be further amended, supplemented or amended and restated from time to time;

"Borrowers" has the meaning given to that term in the recitals;

"Borrowers' Account" has the meaning given to that term in section 19;

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

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

"CCAA" has the meaning given to that term in the recitals;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

"EDC" means Export Development Canada;

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

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

"Event of Default" has the meaning given to that term in section 27;

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

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

purporting to exercise, any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power;

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

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

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

"Indebtedness" of any Person means, at any date, without duplication, (a) all obligations of such Person for borrowed money, including by way of overdraft and drafts or orders accepted as representing extensions of credit, (b) all obligations of such Person evidenced by bonds, debentures, the face amount of all letters of credit, letters of guarantee and similar instruments, notes or other similar instruments, (c) all indebtedness, liabilities and obligations secured by an Encumbrance on any asset of such Person, whether or not the same is otherwise indebtedness, liabilities or obligations of such Person, (d) all indebtedness, liabilities and obligations of others which is, directly or indirectly, guaranteed by such Person or which such Person has agreed (contingently or otherwise) to purchase or otherwise acquire, (e) all indebtedness, liabilities and obligations in respect of financial instruments which are classified as a liability on the balance sheet of such Person, and (f) all obligations of such Person to otherwise assure a creditor against loss (for certainty, Hedging Obligations incurred by an Obligor in the ordinary course shall not be considered Indebtedness for purposes of this Agreement);

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

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

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

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

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

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

"Interest Payment Date" has the meaning given to that term in section 14;

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

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

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

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

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

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

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

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

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

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

"Permitted Priority Liens" means (i) the Priority Charges; (ii) any Lien in respect of amounts payable by the Borrowers for wages, vacation pay, employee deductions, sales tax, excise tax, tax payable pursuant to Part IX of the *Excise Tax Act* (Canada) (net of input credits), income tax and workers compensation claims, in each case solely to the extent such amounts are given priority by applicable Law and only to the extent that the priority of such amounts has not been subordinated to the DIP Charge granted by the Court; and (iii) such other Liens existing as of the Filing Date that have not been subordinated to the DIP Charge granted by the Court.

"Permitted Variance" means, for each Testing Period, (A) a negative variance of (i) more than 10.0% of projected receipts for such Testing Period; (ii) more than 10.0% of projected receipts for the cumulative period commencing on the date of the initial Approved Cash Flow Forecast and ending on the last day of such Testing Period; (iii) more than 10.0% of projected disbursements for such Testing Period; and (iv) more than 10.0% of projected disbursements for the cumulative period commencing on the date of the initial Approved Cash Flow Forecast and ending on the last day of such Testing Period or (B) to the extent any Approved Cash Flow Forecast sets forth a permitted variance with respect to a specific line item, such variance as specified therein.

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

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

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

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

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

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

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

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

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

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

"SISP" has the meaning given to that term in section 26;

"Steensby Expansion" has the meaning given to that term in section 23;

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

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

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

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

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

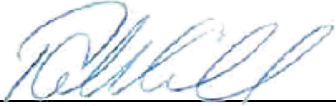
"Withholding Taxes" has the meaning given to that term in section 29.

[Signature page follows]

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

DIP LENDERS:

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

by _____

Patrick Criscillo

Chief Financial Officer

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

DIP LENDERS:

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

by



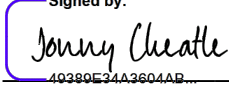
Name: Elizabeth Duggan

Title: Authorized Signatory

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

DIP LENDERS:

**CITADEL ADVISORS LLC ON BEHALF OF ONE
OF MORE FUNDS FOR WHICH IT IS MANAGER
OR PORTFOLIO MANAGER**

Signed by:

By: 40380E34A3604AD...
Jonny Cheatle
Authorized Signatory

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

DIP LENDERS:

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

By _____

OPPS XII BLIM Holdings, L.P.

By: Oaktree Fund GP IIA, LLC

Its: General Partner

By: Oaktree Fund GP II, L.P.

Its: Managing Member

By: David Nicoll_____

Name: David Nicoll

Title: Authorized Signatory

By: Ross Rosenfelt_____

Name: Ross Rosenfelt

Title: Authorized Signatory

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

DIP LENDERS:

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

By  _____

OPPS XII BLIM Holdings, L.P.

By: Oaktree Fund GP IIA, LLC

Its: General Partner

By: Oaktree Fund GP II, L.P.

Its: Managing Member

By: _____

By: _____

SCHEDULE A

DIP FACILITY COMMITMENTS

DIP Lender	DIP Commitment	Notice Address	Copies of Notice To:
Brigade Capital Management, LP	\$5,000,000	Ad Hoc Committee of Senior Secured Noteholders c/o Akin Gump Strauss Hauer & Feld LLP One Bryant Park New York, New York 10022 Attention: Ira Dizengoff, Meredith Lahaie and Lucas Charleston Email: idezengoff@akingump.com , mlahaie@akingump.com and lcharleston@akingump.com AND Cassels Brock & Blackwell LLP Suite 3200, Bay Adelaide Centre – North Tower Toronto, Ontario M5H 0B4 Attention: Ryan Jacobs and Michael Wunder Email: rjacobs@cassels.com and mwunder@cassels.com	
Citadel Advisors LLC	\$1,500,000		
Polen Capital Credit, LLC	\$11,000,000		
OPPS XII BLIM Holdings, L.P.	\$42,000,000	Oaktree Capital Management 555 South Flower Street, 36 th Floor Los Angeles, CA 90071 Attention: David Nicoll Email: dnicoll@oaktreecapital.com	Paul, Weiss, Rifkind, Wharton & Garrison LLP 1285 Avenue of the Americas New York, NY 10019 Attention: Brian S. Hermann; Brian Bolin; Joseph Graham Email: bhermann@paulweiss.com ; bbolin@paulweiss.com ; jgraham@paulweiss.com
Hartree Partners, LP	\$10,500,000	Hartree Partners, LP 1185 Avenue of the Americas, New York, NY 10036 Attention: Scott Potolsky Email: HMFInotices@hartreepartners.com CC: legalNY@hartreepartners.com	AND Stikeman Elliott LLP 5300 Commerce Court West, 199 Bay Street Toronto, ON M5L 1B9 Attention: Maria Konyukhova Email: mkonyukhova@stikeman.com
Total	\$70,000,000		

SCHEDULE B

APPROVED CASH FLOW FORECAST

Illustrative Consolidated Cash Flow Projections

[illegible][illegible]

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

Assumptions to the Cash Flow Forecast

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

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

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

SCHEDULE C

LOAN GUARANTY

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

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

(c) No Discharge or Diminishment of Guaranty.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

DIP FACILITY LOAN AGREEMENT

DATED AS OF ~~May 25~~, 2026

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

AND WHEREAS the DIP ~~Lender~~Lenders have agreed to provide the DIP Facility (defined below) in accordance with the terms and conditions set out below to provide financing in order to fund certain obligations of the Borrowers to allow them time to implement the most efficient restructuring and financing to maximize value to all stakeholders.

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

1. **Defined Terms:** A capitalized term not defined in the body of this Agreement has the meaning ascribed to it in the Definitions section below.
2. **Interpretation:** In this Agreement, words signifying the singular number include the plural and *vice versa*, and words signifying gender include all genders. Every use of the word "including" in this Agreement is to be construed as meaning "including, without limitation".

The division of this Agreement into Sections and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement.

References in this Agreement to Sections or Schedules are to be construed as references to a Section or Schedule of or to this Agreement unless the context requires otherwise.
3. **Currency:** Unless otherwise stated, all monetary denominations shall be in lawful currency of the United States of America.
4. **Borrowers:** Baffinland Iron Mines Corporation ("**BIM Corp**") and Baffinland Iron Mines LP ("**Baffin LP**" and, together with BIM Corp, the "**Borrowers**").
5. **Guarantors:** Means Nunavut Iron Ore, Inc. and 12334992 Canada Inc. (collectively, the "**Guarantors**" and collectively with the Borrowers, the "**Obligors**").
6. **DIP ~~Lender~~Lenders:** The institutions described in Schedule A (on behalf of themselves and their affiliates and managed funds) hereby commit to provide the DIP Facility, on a several and not joint basis, in the respective amounts set forth adjacent to each such institution's name in Schedule A upon the terms and conditions set forth in this Agreement (collectively, the "**DIP**

Lenders”).

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

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

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

7. **DIP Facility:** The DIP ~~Lender agrees~~Lenders agree to establish in favour of the Borrowers a debtor-in-possession ~~revolving credit~~delayed draw term loan facility (the “DIP Facility” and, the loans thereunder, the “DIP Loans”) in the principal amount equal to ~~[\$300,000,000]~~(70 million (collectively, the “Loan Amount”).

~~The DIP Facility is a revolving credit facility and, accordingly, amounts Advanced pursuant to Section 8 may be repaid and reborrowed by the Borrowers until the Maturity Date.~~

8. **DIP Advances:** An initial advance under the DIP Facility in the principal amount of ~~[\$25,000,000]~~50 million (the “Initial Advance”) shall be made available to the Borrowers and shall be deposited into the Borrowers’ Account (defined below) ~~on~~within one (1) Business Day after the date of the entry of the Second Amended and Restated Initial Order (defined below), provided the Initial Advance Conditions are satisfied as of such date.

Subsequent advances under the DIP Facility (each, a “Subsequent Advance”) shall be made available to the Borrowers and shall be deposited into the Borrowers’ Account (defined below) as agreed by the Borrowers and the Required DIP Lenders, with each Subsequent Advance being in an amount no less than \$20 million against the Approved Cash Flow Forecast, in each case subject to the satisfaction of the Subsequent Advance Conditions (as defined below). The sum of the Initial Advance and the Subsequent Advances shall not exceed the Loan Amount. The timing and amount of each Subsequent Advance shall be determined based on the funding needs of the Borrowers as set

forth in the Approved Cash Flow Forecast, and Subsequent Advances shall only be available and provided hereunder after the Borrowers have received the entirety of the Initial Advance.

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

~~The DIP Lender~~Each Advance, on behalf of and at the request of each of the DIP Lenders, shall be provided by and funded to the DIP Agent by the Fronting Lender and subsequently assigned to the DIP Lenders pursuant to arrangements agreed by the Fronting Lender and each DIP Lender. The Fronting Lender shall deposit into the Borrowers' Account the amount requested by the Borrowers pursuant to the Advance Notice on the requested date of the Advance; provided that the conditions in section 16 are satisfied as of such date; other in in, net of all fees, costs and expenses to be paid in connection with such Advance pursuant to a funds direction to be delivered prior to the date of such Advance; provided that (x) with respect to the Initial Advance which shall be deposited into the Borrowers' Account on the date of, the Initial Order; provided the Initial Advance Conditions are satisfied as of such date and (y) with respect to each Advance after the Initial Advance, the applicable conditions described in this section 8 and the applicable Subsequent Advance Conditions are satisfied as of such date.

9. **Use of Proceeds:** The proceeds of the DIP Facility shall be used solely by the Borrowers in accordance with the Approved Cash Flow Forecast, which shall include provision for payment, in all respects subject to and to the extent included in the Approved Cash Flow Forecast, of (i) the fees of the Monitor and its counsel and counsel for the Borrowers, (ii) interest, fees (including the Funding Fee) and other amounts owing to the DIP ~~Lender~~Lenders under this Agreement, and (iii) pre and post-filing expenses payable under to the DIP Lenders or their advisors under the Senior Credit Agreement, the Indenture, or the DIP Facility (including, without limitation, those set forth in section 13) and ordinary course payments for the Borrowers' working capital needs during the CCAA Proceeding, including, post-filing accounts payable in the ordinary course of the Business and Priority Payables, ~~(iv) royalty payments under the Royalty Agreements, and (v) amounts payable under the Benefits Agreement. No~~ as set forth in the Approved Cash Flow Forecast. Without the prior written consent of the Required DIP Lenders no proceeds may be used for any other purpose ~~except with the prior written approval of the DIP Lender, acting reasonably, and no~~ expenditures shall be made, for any purpose that is not included in the

Approved Cash Flow Forecast.-

10. **Assignment by the Borrowers:** The Borrowers shall not be permitted to assign this Agreement without the prior written consent of ~~the~~each DIP Lender.
11. **Evidence of Indebtedness:** The DIP ~~Lender~~Agent shall maintain a register evidencing Advances and repayments under the DIP Facility and all other amounts owing from time to time hereunder. The DIP ~~Lender~~Agent register constitutes, in the absence of manifest error, *prima facie* evidence of the Indebtedness of the Borrowers to the DIP ~~Lender~~Lenders pursuant to the DIP Facility.
12. **Interest; Fees** All amounts owing by the Borrowers hereunder to the DIP ~~Lender~~Lenders on account of the principal, overdue interest and expenses shall bear interest at ~~■%~~a rate per annum ~~(the "equal to Adjusted Term SOFR (which, for purposes of this Agreement, shall have the meaning given to such term in the Senior Credit Agreement, treating the DIP Loans as SOFR Loans thereunder and utilizing a one-month Interest Period as set forth below) plus 7.00%, payable entirely in cash on each Interest Payment Date (the "Interest Rate").~~ To the extent permitted by Law, effective upon the occurrence of and during the continuance of an Event of Default, all amounts owing to the DIP ~~Lender~~Lenders hereunder by the Borrowers on account of principal, overdue interest and expenses shall bear interest at the Interest Rate plus an additional 2% per annum (the Interest Rate, as increased, the "Default Rate").
- All interest hereunder shall be computed on the basis of a year of ~~365 or 366~~360 days ~~(as applicable)~~ and shall accrue and be calculated daily and payable in cash, monthly in arrears on the last Business Day of each month (each, an "Interest Payment Date"); provided that unless otherwise agreed by the Required DIP ~~Lender~~Lenders, interest accruing at the Default Rate shall be payable in cash on demand, both before and after demand and judgment.
- In the case of an Advance, the first "Interest Period" shall commence on and include the date of such Advance and shall end on and exclude the next following Interest Payment Date. Thereafter, in the case of such Advance, the Interest Period shall commence on and include the Interest Payment Date and end on and exclude the next Interest Payment Date or the Maturity Date, whichever is earlier.
- Upon the indefeasible repayment in full of the DIP Facility and all other DIP Obligations and cancellation of all remaining commitments in respect thereof, the Borrowers shall pay an exit fee, in cash, in an amount equal to 3% of the aggregate committed amount of the DIP Facility, being equal to \$1,200,000 (the "Funding Fee"), which Funding Fee is fully earned on execution hereof, provided that the Funding Fee shall not be payable if the DIP Facility and all DIP Obligations are repaid in full from an Alternative Financing Arrangement before the Stated Maturity Date.

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

13. **Other Costs and Expenses:**

The Borrower shall pay all reasonable and documented third-party costs and expenses of the DIP Agent, the DIP Lenders and the Fronting Lender for all due diligence and all reasonable and documented fees, expenses and disbursements of ~~outside counsel~~ advisors (which, for the avoidance of doubt, shall include (i) Stikeman Elliott LLP, as counsel to the Senior Lenders, (ii) Paul, Weiss, Rifkind, Wharton & Garrison LLP, as special counsel to the Senior Lenders, (iii) a financial advisor to the Senior Lenders, (iv) Akin Gump Strauss Hauer & Feld LLP, as counsel to the Holder AHG, (v) Cassels Brock & Blackwell LLP, as counsel to the Holder AHG and (vi) Houlihan Lokey, as financial advisor to the Holder AHG) in connection with the preparation, negotiation and consummation of this Agreement ~~and~~ any other Restructuring Transaction, the administration of the DIP Facility and participation in the CCAA Proceeding, including any reasonable and documented third-party costs and expenses incurred by the DIP Agent, the DIP Lenders and the Fronting Lender in connection with the enforcement of any of the rights and remedies available hereunder or under the DIP Security (collectively, the "DIP Lender Expenses"). The DIP Lender Expenses shall form part of the DIP Obligations secured by the DIP Charge (as defined below). All accrued DIP Lender Expenses incurred prior to date of the Initial Advance (including prior to the filing of the CCAA Proceeding) shall be paid in full through deduction from the Initial Advance.

14. **Approved Cash Flow Forecast:**

Attached hereto as Schedule ~~AB~~ AB is a detailed cash flow projection (the "Approved Cash Flow Forecast"), which is in form and substance satisfactory to the Required DIP Lender ~~Lenders~~ and which ~~includes~~ may include, inter alia, provision for payments on account of any interest and expenses which may be payable under the DIP Facility, rent and other occupancy costs, supplier payments, post-filing accounts payable in the ordinary course of the Business, Priority Payables, payments of amounts payable under the ~~Royalty Agreements and the~~ Benefits Agreement, and the costs and expenses associated with the CCAA Proceeding.

Notwithstanding any other provision of this Agreement, neither the DIP Agent nor the DIP Lenders shall be obligated to make any advance under the DIP Facility which does not comply with or adhere to the Approved Cash Flow Forecast. The Approved Cash Flow Forecast may only be updated with the consent of the Required DIP Lenders, in their sole discretion.

~~The Borrowers, with the assistance of the Monitor, may from time to time present the DIP Lender with a revised budget substantially in the form of the current Approved Cash Flow (the "Updated Cash Flow"). Subject to the written approval of the DIP Lender (acting reasonably),~~

~~the Updated Cash Flow shall thereafter be deemed to be the effective Approved Cash Flow for the purposes hereof.~~ For the avoidance of doubt, the Approved Cash Flow Forecast will include payment of all reasonable and documented out of pocket fees and expenses of advisors to EDC, the Senior Agents, the Senior Lenders and the Holder AHG (which, for the avoidance of doubt, shall include (i) Stikeman Elliott LLP, as counsel to the Senior Lenders, (ii) Paul, Weiss, Rifkind, Wharton & Garrison LLP, as special counsel to the Senior Lenders, (iii) a financial advisor to the Senior Lenders, (iv) Akin Gump Strauss Hauer & Feld LLP, as counsel to the Holder AHG, (v) Cassels Brock & Blackwell LLP, as counsel to the Holder AHG and (vi) Houlihan Lokey, as financial advisor to the Holder AHG).

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

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

- (a) ~~The~~the Court shall have issued the Second Amended and Restated Initial Order in form and substance satisfactory to the DIP Agent, the Required DIP Lenders and the Fronting Lender, acting reasonably, among other things:

~~(i) granting the Obligors protection under the CCAA;~~

~~(ii) appointing the Monitor;~~

(i) ~~(iii)~~ authorizing and approving ~~the Initial Advance and approving this Agreement for the purpose of making the Initial Advance; and;~~

(ii) ~~(iv)~~ granting the DIP Charge and the priority of the DIP Charge contemplated in this Agreement;i

(iii) granting a stay of proceedings until no earlier than September 30, 2026;

(v) providing for provisional execution in respect of any and all Advances made and/or Liens and/or charges granted for the DIP Loans, including the DIP Charge;

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

- (b) ~~All~~all reasonable and documented third-party expenses payable to the DIP Agent, the DIP Lenders and the Fronting Lender hereunder will be paid from the proceeds of the Initial Advance on the date of the Initial Advance; and

(c) the DIP Lenders shall have received an Advance Notice in accordance with the terms hereof;

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

16. **Conditions
Precedent to
Advances of
the Loan
Amount (other
than the Initial
Advance):**

The DIP ~~Lender's~~ Lenders' agreement to make any additional Advances available from the Loan Amount is subject to, and conditional upon, the satisfaction of all of the following conditions precedent (the "Subsequent Advance Conditions"):

- ~~(a) The Court shall have issued an Amended and Restated Initial Order (if necessary) in form and substance satisfactory to the DIP Lender, acting reasonably, among other things:~~
 - ~~(i) authorizing and approving this Agreement;~~
 - ~~(ii) granting the DIP Charge (defined below) and the priority of the DIP Charge contemplated in this Agreement;~~
 - ~~(iii) granting a stay of proceedings until a date that is at least [■ weeks] after the date of the Initial Order;~~
- (a) and the operation and effect of such order Second Amended and Restated Initial Order shall not have been stayed, amended, modified, reversed, waived, dismissed or appealed (or any such appeal shall have been dismissed with no further appeal therefrom or the applicable appeal periods shall have expired) and no notices of the foregoing shall have been filed, unless otherwise agreed by the Required DIP Lenders, in ~~its~~ their sole discretion;
- (b) ~~The~~ the Second Amended and Restated Initial Order ~~(if necessary)~~ has not been amended, restated or modified in a manner that materially adversely affects the rights, remedies or interests of the DIP ~~Lender, in its sole discretion,~~ Lenders without the prior written consent of the Required DIP Lenders; provided that any such modification which would require the consent of a given DIP Lender under section 33 hereof be subject to such DIP Lenders' consent;
- (c) ~~The~~ the DIP Lenders shall have received an Advance Notice in accordance with the terms hereof;
- (d) the DIP Lenders shall have received an updated Approved Cash Flow Forecast, if requested by the DIP Lenders;
- (e) ~~(d) All~~ all reasonable and documented third-party expenses payable to the DIP Agent, the DIP Lenders and the Fronting Lender hereunder have been paid or will be paid from the

proceeds of the requested Advance on the date of the applicable Advance;

- (f) ~~(e) There~~there shall be no Encumbrances on the Collateral ranking in priority to or *pari passu* with the DIP Charge other than as expressly permitted by the terms hereof;
- (g) ~~(f) No~~no Default or Event of Default shall have occurred and be continuing or will occur as a result of the requested Advance;
~~and~~
- (h) ~~(g) The~~the Obligors shall be in compliance in all material respects with all covenants and obligations contained in this Agreement~~;~~;
- (i) the Borrowers are in compliance with the current Approved Cash Flow Forecast (subject to Permitted Variances) as at the date of the proposed Advance; and
- (j) all conditions precedent in section 15 immediately above in this Agreement shall have been and continue to be satisfied on the date of such Advance.

17. **DIP Charge:**

All of the obligations of the Obligors under or in connection with the DIP Facility, including without limitation, all principal, interest, fees and amounts owing in respect of reasonable and documented third-party expenses of the DIP Agent, the DIP Lenders and the Fronting Lender (collectively, the "**DIP Obligations**"), shall be secured by a Court-ordered charge on the Collateral in favour of the DIP ~~Lender~~Agent, for the benefit of the DIP Lenders (the "**DIP Charge**").

The DIP Charge shall rank ahead of any and all Encumbrances on the Collateral other than the administration charge not exceeding \$~~5.0~~5.0 million, to be granted by the Court and the directors and officers charge not exceeding \$~~20.4~~20.4 million, to be granted by the Court (collectively, the "**Priority Charges**"). All Collateral will be free and clear of all Encumbrances, except for Permitted Liens.

18. **DIP Security:**

The Guarantors hereby guarantee in favour of the DIP ~~Lender~~Agent, for the benefit of the DIP Lenders, the payment and performance of the DIP Obligations of the Borrowers pursuant to the terms set forth in Schedule C hereto.

~~The DIP Lender shall be permitted to request DIP Security (in form and substance reasonably satisfactory to the DIP Lender) from the Obligors at any time. The DIP Security shall continue as a first priority Encumbrance on the Collateral in favour of the DIP Lender subject to subordination only in respect of the Priority Charges and Priority Payables. For greater certainty, the delivery of DIP Security shall not be a condition precedent to the Initial Advance or any other advances of the Loan Amount as set out in Sections 15 and 16. The DIP Security shall continue as a first priority Encumbrance on the Collateral in favour of the DIP Agent, for the benefit of the DIP Lenders, subject to subordination only in respect of the Priority Charges and Priority~~

Payables.

<u>19.</u>	<u>Hedging Obligations</u>	<u>Notwithstanding anything herein to the contrary, Hedging Obligations owing to any DIP Lender may be secured by liens which are equal in priority to the DIP Security.</u>

20. ~~19.~~ **Borrowers' Account:** Advances shall be deposited into a bank account to be designated by the Borrowers (the "**Borrowers' Account**") and utilized by the Borrowers in accordance with the terms of this Agreement.

21. ~~20.~~ **Repayment and Maturity Date:** All DIP Obligations shall be due and payable on the earliest of the occurrence of any of the following:

- (a) conversion of the CCAA Proceeding into a proceeding under the *Bankruptcy and Insolvency Act* (Canada);
- (b) the occurrence of an Event of Default ~~which is continuing and has not been cured within [30] days of the Borrowers receiving written notice of such Event of Default from the DIP Lender and the DIP Lender has notified the Obligors pursuant to Section 28 that it has elected to accelerate all amounts owing; or and a demand for payment by the DIP Agent (at the request of the Required DIP Lenders);~~
- (c) the completion of an Alternative Financing Arrangement;
- (d) ~~(c) the date which is ■ months after the closing of a Restructuring Transaction, or combination of Restructuring Transactions that generated sufficient proceeds to repay the DIP Obligations; or~~
- (e) the date that is sixty (60) days after the date of this Agreement (the "Stated Maturity Date")

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

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

22. ~~21.~~ **Payments:** All payments of principal, interest and expenses hereunder, if applicable, shall be made for value in the full amount due at or before 12:00 noon on the day such amount is due by deposit or transfer thereof to the DIP ~~Lender~~Agent or as the DIP ~~Lender~~Lenders may direct. Payments received after such time shall be deemed to have been made on the next following Business Day. If any payment is due on a day which is not a Business Day, such payment shall be due on the next following Business Day and interest shall accrue until but excluding the actual date of payment. Each payment to be made by the Borrowers under this Agreement shall be made in full without deduction, set-off or

counterclaim of any kind or for any reason. If any expenses incurred by the Borrowers after the date of this Agreement are not paid by the Borrowers, the DIP ~~Lender~~Agent may, but shall have no duty to do so, pay all such expenses whereupon such amounts shall be added to and form part of the DIP Obligations and shall reduce the availability under the DIP Facility. Unless otherwise consented to in writing by the Required DIP Lenders, the net cash proceeds of any sale, realization or disposition of, or with respect to, any of the Collateral (including obsolete, excess or worn-out Collateral) out of the ordinary course of business, any cash or other proceeds received out of the ordinary course of business, or any insurance proceeds paid to the Borrowers in respect of such Collateral, shall be paid to the DIP Agent (for the benefit of the DIP Lenders) and applied to reduce the DIP Obligations (for greater certainty, net of transaction fees and applicable Taxes in respect thereof). Any amounts repaid may not be reborrowed.

23. ~~22.~~ **Indemnity:**

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

24. ~~23.~~ **Representations and Warranties:**

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

- (a) such Obligor is validly formed and existing under the laws of its jurisdiction of incorporation or formation;
- (b) such Obligor has the power and capacity, and the legal right, to own or lease and operate its property, to carry on its business as now conducted and as proposed to be conducted, and subject to

- Court approval of this Agreement, to enter into, execute, deliver and perform its obligations under this Agreement;
- (c) such Obligor has taken all necessary action to authorize the execution, delivery and performance of this Agreement. Subject to the issuance of the Initial Order, Amended and Restated Initial Order or Second Amended and Restated Initial Order, as applicable, and the terms thereof, no consent or authorization of, filing with, notice to or other act by, or in respect of, any governmental authority or any other person is required in connection with the extensions of credit hereunder or with the execution, delivery, performance, validity or enforceability of this Agreement;
- (d) ~~(a) The~~this Agreement and the transactions contemplated by this Agreement ~~and upon the granting of the Initial Order or Amended and Restated Initial Order:~~
- (i) are within the powers of the~~such~~ Obligor and, subject to the granting of the Second Amended and Restated Initial Order, as applicable, constitute legal, valid and binding obligations of ~~the~~such Obligor, enforceable against it in accordance with the terms hereof;
- (ii) have been duly authorized, executed and delivered by or on behalf of the~~such~~ Obligor; and
- (iii) ~~do not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition) require any consent or approval under,~~ subject to the granting of the Second Amended and Restated Initial Order, as applicable, do not and will not conflict with, contravene, violate or result in a breach or a violation of, or conflict with, of: (A) any of the terms or provisions of its~~such~~ Obligor's constating documents or by-laws ~~or, (B) any material contracts or instruments to which its~~such~~ Obligor is a party or pursuant to which any of its assets or property may be affected or (c) any applicable Law;~~
- (e) ~~(b) The~~the Business of such Obligor has been and will continue to be conducted in material compliance with all applicable Laws of each jurisdiction in which the Business has been or is being carried on subject to the provisions of the CCAA and any Court order made after the date of the Initial Order;
- (f) such Obligor and its properties and businesses comply in all material respects, and the use of its properties comply in all material respects, with all applicable environmental laws; such Obligor has no knowledge of any facts which result in, or constitute, or are likely to give rise to, non-compliance with any environmental laws in any material respect;
- (g) such Obligor owns, leases or has the lawful right to use all of the material properties and undertaking necessary for the conduct of the business of such Obligor;

- (h) ~~(e) Each~~such Obligor has obtained any material Authorizations for the operation of the Business, which Authorizations remain, and after entering into the DIP Facility will remain, in full force and effect. No proceedings have been commenced to revoke or amend any such Authorizations;
- (i) ~~(d) Each~~such Obligor does not have any defined benefit pension plans or similar plans and is in material compliance with all applicable Law respecting its employees' employment and all collective bargaining agreements to which it is a party or otherwise bound;
- (j) such Obligor and each of its subsidiaries has good and valid title to, or legally binding property right in, or valid leasehold interests in, all real property necessary or used in the ordinary conduct of its business, in each case free and clear of all Liens other than those liens permitted by section 4.10 of the Indenture (as same exists on the date of this Agreement) and except for minor defects in title as could not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the operations, financial condition, and/or future prospects of the Obligors taken as a whole
- ~~(e) Except as otherwise disclosed to the DIP Lender in writing prior to the date hereof, each Obligor is current on its payment obligations for rent and other occupancy costs and expenses in respect of any premises that it leases;~~
- ~~(f) All obligations of each Obligor (including fiduciary, funding, investment and administrative obligations, if any) required to be performed in connection with employee benefit plans of the Obligor have been performed on a timely basis;~~
- ~~(g) Each Obligor has filed all Tax returns which were required to be filed and paid all Taxes (including interest and penalties) which are due and payable; and~~
- (k) ~~(h) All~~all information provided by or on behalf of ~~each~~such Obligor to the DIP ~~Lender~~Lenders for the purposes of or in connection with this Agreement or any transaction contemplated herein is, true and accurate in all material respects on the date as of which such information was provided, not incomplete and does not omit to state any fact necessary to make such information (taken as a whole) not materially misleading at such time, in light of the circumstances under which such information was provided; and
- (l) none of the Obligors owns or controls, directly or indirectly, any subsidiaries which are not Obligors.
- (m) each Obligor maintains adequate insurance coverage, as is customary with companies in the same or similar business of such type, in such amounts and against such risks as is prudent for a business of its nature with financially sound and reputable

- insurers and that contain reasonable coverage and scope;
- (n) except as disclosed to the DIP Lenders in writing by the Obligors, there are no agreements of any kind (i) between the Obligors and any other third party or any holder of debt or Equity Securities of the Obligors with respect to any Restructuring Transaction, which remain in force and effect as of the date hereof, or (ii) between the Borrowers and any related party;
 - (o) other than as stayed pursuant to the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order, there is not now pending or, to the knowledge of any of the senior officers of the Obligors, threatened against the Obligors, nor has any Obligor received notice in respect of, any material claim, potential claim, litigation, action, suit, arbitration or other proceeding by or before any court, tribunal, governmental entity or regulatory body;
 - (p) each Obligor has maintained and paid current its obligations, as applicable, for payroll, source deductions, harmonized, goods and services and retail sales tax, and is not in arrears of its statutory obligations to pay or remit any amount in respect of these obligations;
 - (q) the Obligors have valid leasehold interests in all leases, subleases or assignments of leases, and each such lease is in full force and effect, and the Obligors do not have knowledge of any default that has occurred (other than in connection with the CCAA Proceeding);
 - (r) the Borrowers have not taken or omitted to take any action that could materially impact their continued operations, including (i) failing to procure any essential products needed before the shipping window closes, (ii) ceasing their mining operations, or (iii) reducing their workforce;
 - (s) any information provided by the Borrowers to the DIP Agent and the DIP Lenders on the status of the SISP, the Steensby Railway project and related financing process (the “**Steensby Expansion**”) to date, including any reporting required pursuant hereto, is accurate and complete, and the Obligors have disclosed all material information in respect of such processes to the DIP Agent and the DIP Lenders; and
 - (t) no Default or Event of Default has occurred and is continuing.

25. 24.- **Affirmative Covenants:**

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

- (a) ~~Submit~~submit to the Court the ~~Initial Order, the~~Second Amended and Restated Initial Order, and any other Court orders which are being sought by the Obligor in a form confirmed in advance to be satisfactory to the Required DIP ~~Lender~~(acting

- ~~reasonably~~ Lenders subject to any amendments that are required by the Court or the Obligors that are acceptable to the Required DIP Lender ~~(acting reasonably)~~ Lenders;
- (b) ~~Comply~~ comply with the provisions of all Court orders made in the CCAA Proceeding, including the Initial Order, Amended and Restated Initial Order and the Second Amended and Restated Initial Order;
- (c) ~~Allow the DIP Lender, its~~ allow each of the DIP Agent, DIP Lenders and their respective employees, agents, advisors and representatives access to all collateral, information and documentation of the Obligors, to visit, inspect and conduct examinations of any of such collateral, information and documentation (including any books and records) and discuss its business operations, properties and financial and other conditions with its officers, employees and independent public accountants, in each case, as may be reasonably requested by the DIP ~~Lender~~ Agent or Required DIP Lenders, during normal business hours, in each case subject to applicable privacy laws and solicitor-client privilege;
- (d) ~~Upon~~ upon the reasonable request of the Required DIP Lender ~~Lenders~~, provide updates regarding the status of the CCAA Proceeding, including any information which may otherwise be confidential, subject to same being maintained as confidential by the DIP ~~Lender~~ Lenders;
- (e) ~~Preserve~~ preserve, renew, maintain and keep in full force its corporate existence and its Authorizations required in respect of the Business or any of the Collateral;
- (f) ~~Use all reasonable efforts to~~ keep the DIP ~~Lender~~ Lenders apprised on a timely basis of all material developments with respect to the Business and affairs of the Obligors;
- (g) ~~Conduct~~ conduct the Business and preserve, protect and maintain the Collateral in the ordinary course of Business;
- (h) operate and maintain its respective properties and businesses in accordance with industry practice and in accordance with applicable law and all Court orders made in the CCAA Proceeding, including the Initial Order, Amended and Restated Initial Order and the Second Amended and Restated Initial Order;
- (i) ~~(h) Maintain~~ maintain in full force all policies and contracts of insurance that are now in effect (or renewals thereof) under which the Obligor, the Business or any of the Collateral is insured;
- (j) ~~(i) Except~~ except to the extent otherwise agreed by the Required DIP Lender ~~Lenders~~ (acting reasonably), pay all applicable Priority Payables and all other amounts necessary to preserve the Collateral to avoid any Encumbrance thereon and to carry on

the business of each Obligor;

- (k) ~~(j) Promptly~~promptly notify the DIP ~~Lender~~Lenders of the occurrence of any Default or Event of Default or of any event or circumstance which could reasonably be expected to result in a material adverse change to the Approved Cash Flow Forecast;
- (l) ~~(k) Comply~~comply in all material respects with all applicable ~~Laws; and,~~ rules and regulations applicable to its business, including environmental laws;
- (m) deliver to the DIP Agent the reporting and other information from time to time reasonably requested by the DIP Agent or the Required DIP Lenders, and any other information pertaining to the business and affairs of the Obligors as reasonably requested by the DIP Agent or any DIP Lender;
- (n) use the proceeds of the DIP Facility in a manner consistent with the restrictions set out herein and in all cases in accordance with the Approved Cash Flow Forecast (subject to Permitted Variances);
- (o) duly and punctually pay or cause to be paid to the DIP Agent on behalf of the DIP Lenders all principal, interest, fees and other amounts payable by it under this Agreement on the dates, at the places and in the amounts set forth herein;
- (p) authorize the Monitor to (i) meet and communicate with the DIP Agent and DIP Lenders and (ii) provide regular reports to the DIP Agent and DIP Lenders with respect to the DIP Facility and the CCAA Proceeding;
- (q) at all times maintain adequate insurance coverage of such kind and in such amounts and against such risks as is customary for the business of the Obligors with financially sound and reputable insurers;
- (r) promptly provide notice to the DIP Agent, the DIP Lenders and their counsel, and keep them otherwise apprised, of any material developments in respect of any Material Contract, and of any material notices, orders, decisions, letters, or other documents, materials, information or correspondence received from any regulatory authority having jurisdiction over any Obligor, subject to any disclosure restrictions contained in any Court order or that, in the opinion of the Obligors (in consultation with the Monitor), each acting reasonably, are necessary to protect the Borrowers' restructuring process;
- (s) promptly upon becoming aware thereof, provide details of any pending, or threatened claims, potential claims, litigation, actions, suits, arbitrations, other proceedings or notices received in respect of same, against any Obligor by or before any court, tribunal, Governmental Authority or regulatory body, which would be reasonably likely to result, individually or in the aggregate, in a judgment in excess of \$1,000,000;

- (t) take all commercially reasonable actions necessary or available to defend the Court orders from any appeal, reversal, modification, amendment, stay or vacating not expressly consented to in writing in advance by the Required DIP Lenders relating to the DIP Facility or the DIP Charge;
- (u) continue business operations in the ordinary course ensuring full utilization of the shipping window, including (i) ensuring fuel and other necessary products for operations are secured for continued operations and (ii) shipping out all ready-to-ship product for sale; and the Borrowers will not materially change employee head count or staffing requirements except as may be needed to optimize cost structure and operations subject to the Approved Cash Flow Forecast and the prior written consent of the Required DIP Lenders;
- (v) maintain and take all action to ensure all material licences and permits required for the foreseeable operation of its business that may be required will be acquired, procured, or otherwise obtained and remain in full force and effect; the Borrowers shall defend each against revocation or amendment thereof; and the Borrowers, upon request of the Required DIP Lenders, will take all action as may be needed to obtain and preserve the permit to allow for the transportation of up to 6 million tonnes per annum of ore;
- (w) maintain in good repair, working order and condition all material properties and assets used or useful in the business of the Borrowers and make all such appropriate repairs thereto;
- (x) take all commercially reasonable efforts to disclaim all contracts that are not within the Approved Cash Flow Forecast;
- (y) act diligently and in good faith in the pursuit of the CCAA Proceeding;
- (z) establish a risk management program for all business variables that can reasonably affect business operations in consultation with the Required DIP Lenders, and the DIP Lenders shall have a right of first refusal on any Hedging Obligations; and
- (aa) provide the DIP Agent and DIP Lenders and their advisors from time to time, on a confidential basis, with such information regarding the progress of the Obligors' pursuit of a Restructuring Transaction and the Steensby Expansion as may be reasonably requested by the Required DIP Lenders, subject to any disclosure restrictions contained in any Court order, or that, in the opinion of the Obligors (in consultation with the Monitor), each acting reasonably, are necessary to protect the Borrowers' restructuring process; and
- (bb) ~~(i) Pay when due all principal, interest, fees and other amounts payable by the Obligor under this Agreement.~~ promptly pay all DIP Lender Expenses no less frequently than every two weeks,

provided that the DIP Lenders shall use commercially reasonable efforts to provide reasonable estimates of such expenses for purposes of the Approved Cash Flow Forecast.

26. ~~25.~~ **Negative Covenants:**

Each Obligor covenants and agrees not to do the following, other than with the prior written consent of the Required DIP Lender~~Lenders~~ from and after the date hereof:

- (a) ~~Make~~make any payment of principal or interest in respect of Indebtedness ~~existing as of the date of the Initial Order~~other than with respect to the DIP Obligations or otherwise provided herein or declare or pay any dividends or make any other distribution, in each case, except as ~~contemplated by~~expressly provided for in the Approved Cash Flow Forecast;
- (b) ~~Except for the DIP Obligations, any Indebtedness secured by the Priority Charges, the Priority Payables, or any other Indebtedness incurred in the ordinary course of business~~except as set forth in any Court order that is acceptable to the Required DIP Lenders, incur or permit to exist any Indebtedness, (including, without limitation, any capital lease obligation, equipment lease or financing lease obligation), or provide or seek or support a motion by another party to provide such Indebtedness;
- (c) ~~Except for the Priority Charges and the~~except as set forth in any Court order that is acceptable to the Required DIP Charge~~Lenders~~, create, permit to exist any Encumbrance, or provide or seek or support a motion by another party to provide an Encumbrance, upon any ~~of the~~ Collateral;
- (d) create or permit to exist any Liens on any of its properties or assets other than the Permitted Liens;
- (e) ~~(d) Make~~make any payments or use any monies (including, without limitation, proceeds of the DIP Facility) outside of the ordinary course of ~~the~~ Business, unless provided for in the Approved Cash Flow Forecast (subject to Permitted Variances);
- (f) ~~(e) Make~~make any investments in, acquisitions of or loans to or guarantee the Indebtedness or obligations of any other Person ~~or~~ entity or assets, except as expressly provided for in the Approved Cash Flow Forecast;
- (g) enter into or continue performance under any transaction with any affiliate or any of its or its affiliates' respective direct or indirect equity holders, senior officers, directors, managers or employees, except in the ordinary course of business for a bona fide business purpose and not for any other purpose, except as expressly provided for in Approved Cash Flow Forecast
- (h) enter into or continue performance under any transaction which does not provide for fair and reasonable terms which are no less favorable than those that would be obtained in arm's-length transactions of a similar type;

- (i) make any type of payment, or otherwise satisfy any claim, purported claim, liability, or other obligation, including without limitation of any pre-CCAA filing claim, that is not expressly provided for by the Approved Cash Flow Forecast (subject to Permitted Variances);
- (j) ~~(f) Change~~change its jurisdiction of incorporation or registered office;
- (k) ~~(g) Change~~change its name, fiscal year end or accounting policies or ~~amalgamate, consolidate with, merge into, dissolve or enter into any similar transaction with any other entity~~amend its organizational documents;
- (l) ~~(h) Cease~~cease to carry on the Business as currently being conducted or materially change its operations or business practices;
- (m) ~~(i) Sell~~sell, assign, lease, convey or otherwise dispose of ~~any of the Collateral except for sales or disposals in the ordinary course of the Business, or~~ transfer any of its property, assets or undertakings, except as may be approved by the Court with the prior written consent of the Required DIP Lenders;
- (n) ~~(j) Except~~except as otherwise contemplated in any Court order and approved by the Required DIP Lenders or as expressly contemplated by the Approved Cash Flow Forecast, establish or make any retention or bonus payments, increase compensation or severance entitlements or other benefits payable to directors, senior officers or senior management, or pay any bonuses whatsoever;
- (o) ~~(k) Enter~~enter into any settlement agreement or agree to any settlement arrangements with any regulatory authority or in connection with any material litigation, arbitration, other investigations, proceedings or disputes or other similar proceedings which are threatened or pending against the Obligor;
- (p) ~~(l) Enter~~enter into any amalgamation, reorganization, liquidation, dissolution, winding-up, merger or other similar transaction or series of transactions ~~whereby, directly or indirectly, all or any significant portion of the undertaking, property or assets of any Obligor would become the property of any other Person or Persons; and,~~ allow any change of control to occur, or create or acquire any new subsidiary or become a general partner in any partnership;
- (q) ~~(m) Amend~~amend, supplement, revoke, terminate or discharge or seek to amend, supplement, revoke, terminate or discharge, the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order, except to amend and restate the Initial Order as may be permitted by this Agreement.;

- (r) apply for or consent to, any Court order, or amendment or modification to an existing Court order which adversely affects or could reasonably be expected to adversely affect the DIP Agent or the DIP Lenders;
- (s) file or support the confirmation of any plan of arrangement or liquidation, in each case, that treats the DIP Obligations as “affected” without the consent of the Required DIP Lenders;
- (t) (i) enter into any material transaction or material agreements or (ii) amend or modify any existing agreements or transaction terms, in each case, including royalty agreements, Alternative Offtake and Service Agreements, or similar agreements, without the consent of the Required DIP Lenders;
- (u) satisfy the delivery or other performance obligations and/or payment obligations under its contracts with Glencore plc or any of its affiliates, including, without limitation, any obligations to process or deliver iron ore;
- (v) take (or omit to take) any action to the extent such action could reasonably be expected to materially impair or otherwise adversely affect the ability of the Obligors to utilize any net operating losses, tax credit carry-forwards, built-in losses, basis, deductions or other tax attributes or benefit, in each case, without the prior written consent of the Required DIP Lenders;
- (w) issue any Equity Securities, create any new class of Equity Securities, amend any terms of its existing Equity Securities, or consent to or take any steps in furtherance of the exercise of any conversion right under any Equity Securities issued by it, other than in connection with a Restructuring Transaction approved pursuant to a Court order;
- (x) seek, obtain, support, make or permit to be made any Court order or any change, amendment or modification to any Court order that would materially affect the rights or protections of the DIP Agent or the DIP Lenders under or in connection with the DIP Facility or the DIP Charge, except with the prior written consent of the Required DIP Lenders, in their sole discretion;
- (y) seek or consent to the lifting of the stay of proceedings in the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order, as applicable, in favour of the Borrowers, or seek or consent to the appointment of a receiver or trustee in bankruptcy or any similar official in any jurisdiction;
- (z) make any changes to the composition of the board of directors of the Borrowers (including the addition, removal or replacement of directors, other than a resignation by a director), other than pursuant to a Court order and with the Required DIP Lenders’ approval (in their sole discretion); or
- (aa) pay any professional or advisory fees (including any legal fees or

expenses) of any other Person (other than the Borrowers, the DIP Agent, the DIP Lenders and the Monitor) that are not provided for in the Approved Cash Flow Forecast, except pursuant to the terms of a binding support agreement with such Person with respect to a Restructuring Transaction that is acceptable to the Required DIP Lenders, or as may otherwise be agreed to by the Required DIP Lenders and the Borrowers (in consultation with the Monitor).

27. ~~26.~~ **Alternative
Financing
Arrangement and
Sales and
Investment
Solicitation
Process;
Expansion:**

~~The Borrowers and the DIP Lender agree that the Borrowers (in consultation with the Monitor) shall pursue a sales and investment solicitation process (the "SISP") approved pursuant to a Court order in respect of potential Restructuring Transactions and the SISP shall include the following milestones:~~

- ~~(a) the deadline for the commencement of the SISP will be no later than six months after the issuance of the Initial Order; and~~
- ~~(b) the final deadline for the closing of a transaction resulting from the SISP will be no later than 24 months after the commencement of the SISP;~~

~~provided that the Borrowers may extend each of the foregoing dates in accordance with the Court order approving the SISP.~~ Use commercially reasonable efforts to: (i) schedule a hearing as soon as feasible and secure an Alternative Financing Arrangement; and (ii) (in consultation with the Monitor and the DIP Lenders) prepare for and pursue a sales and investment solicitation process in form and substance acceptable to the Borrowers and the Supermajority DIP Lenders (the "SISP") approved pursuant to a Court order in respect of potential Restructuring Transactions; provided further however that nothing herein shall prohibit the pursuit of a Restructuring Transaction pursuant to a Court approved plan at any time. For the avoidance of doubt, any DIP Lender or the DIP Agent may participate as a bidder in connection with any SISP in respect of potential Restructuring Transactions or Alternative Offtake and Service Agreements.

28. ~~27.~~ **Events of
Default:**

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

- (a) ~~Any~~any Court order is issued, dismissed, stayed, reversed, vacated, amended or restated and such issuance, dismissal, stay, reversal, vacating, amendment or restatement which (i) stays, reverses, vacates or otherwise modifies this Agreement or (ii) adversely affects or would reasonably be expected to adversely affect the interest of the DIP LenderAgent or DIP Lenders in a material manner, unless the DIP LenderAgent or Required DIP Lenders, as applicable, have given its/their prior written consent thereto, including the issuance of a Court order:
 - (i) appointing a receiver and manager, receiver, interim receiver or similar official in respect of an Obligor;

- (ii) terminating, lifting or amending the stay imposed within the CCAA Proceeding in a manner which, in the opinion of the Required DIP LenderLenders, acting reasonably, is materially prejudicial to the DIP LenderLenders;
 - (iii) granting any other claim or Encumbrance of equal or priority status to that of the DIP Charge, other than the Priority Charges or the Priority Payables; or
 - (iv) ~~staying, reversing, vacating or otherwise modifying this Agreement or~~ prejudicially affecting the DIP LenderAgent, DIP Lenders or the Collateral;
- (b) ~~Failure~~failure of an Obligor to diligently oppose any party that brings an application or motion for any of the relief set out in subsection 27(a) above and/or the failure to secure the dismissal of such motion or application within 30 days from the date that such application or motion is brought (provided no affirmative Court order is issued on such motion or application during such period);
- (c) ~~The~~the CCAA Proceeding is terminated or converted to bankruptcy proceedings;
- (d) ~~Failure of an Obligor to pay any amounts when due and owing hereunder;~~failure of the Borrowers to pay (i) principal, interest or other amounts when due pursuant to this Agreement or any other document entered into in connection herewith, or (ii) any reasonable and documented third-party expenses payable to the DIP Agent, the DIP Lenders or the Fronting Lender within two (2) Business Days of being invoiced therefor, and such failure, in the case of each of items (i) and (ii), remains unremedied for more than two (2) Business Days;
- (e) ~~The~~any Obligor ceases to carry on or maintain the Business or its assets in the ordinary course of the Business in compliance with the covenants contained in this Agreement, except where such cessation is otherwise consented to in advance in writing by the Required DIP LenderLenders;
- (f) ~~Any~~any representation or warranty made or given hereunder by any Obligor shall be incorrect or misleading in any material respect when made;
- (g) ~~Any~~any material violation or breach of any court order by an Obligor;
- (h) ~~Failure~~failure of an Obligor ~~to perform or comply with any term or covenant of this Agreement, including the failure to achieve the~~SISP milestones in accordance with section 26; and such failure shall continue uncured for more than five (5) Business Days after the earlier to occur of (i) any one or more of the Obligors having knowledge of such Event of Default or (ii) written notice of such Event of Default from the DIP Agent to the Borrowers, in either case, at the direction of the Required DIP Lenders to the

Borrowers;

- (i) ~~Any~~any proceeding, motion or application is commenced or filed by the Obligors, or if commenced by another party, supported or otherwise consented to by the Obligors, seeking the invalidation, subordination or other challenging of the terms of the DIP Facility, the DIP ~~Lender's~~Lenders' Charge, or this Agreement;
- (j) ~~If~~—an Obligor makes any ~~material~~ payments of any kind not permitted by this Agreement, the Approved Cash Flow Forecast (subject to Permitted Variances) or any order of the Court; ~~or any failure to remain in compliance with the Approved Cash Flow Forecast, subject to Permitted Variances;~~
- (k) ~~Any~~any plan is filed or sanctioned by the Court in a form and in substance that is not acceptable to the Required DIP Lender~~Lenders~~ if such plan does not either provide for the repayment of the obligations under the DIP Facility in full by the Maturity Date, or designate the DIP ~~Lender~~Lenders as unaffected by such plan;
- (l) any Obligor shall file a motion seeking, or take any action supporting a motion seeking, or the Court shall issue, an order, authorizing the sale or liquidation its assets unless, in each case, either (i) the Required DIP Lenders consent to the filing of such motion, , or (ii) the Court order approving such sale or liquidation contemplates payment in full in cash of all the DIP Obligations;
- (m) any event or occurrence that materially adversely affects the Obligors, their business or their assets, in each case taken as a whole, as determined by the Required DIP Lenders in their sole discretion;
- (n) a default (other than a default resulting from the insolvency of the Borrowers or the commencement of the CCAA Proceeding by the Borrowers, including, for greater certainty, as a result of failure to pay pre-filing amounts as a result of the commencement of the CCAA Proceeding) under any Material Contract, or any material amendment of any Material Contract unless agreed to by the Required DIP Lenders in writing;
- (o) any change of control of any one or more of the Obligors without the consent of the Required DIP Lenders;
- (p) any Authorization issued to any Obligor is terminated, revoked, or suspended and such termination, revocation, or suspension has or could reasonably be expected to have a material adverse on the operations, financial condition, and/or future prospects of the Obligors taken as a whole;
- (q) any Obligor does not comply with any term or condition of the SISP, including without limitation not satisfying any milestone action required to be completed in the SISP by the date on which such milestone action item is required to be completed under the SISP and remaining in compliance with such action item

- thereafter, as applicable;
- (r) the priority of the Liens as contemplated hereby created pursuant to or under the DIP Security in favor of the DIP Agent for the benefit of the DIP Lenders is varied without the consent of the DIP Agent at the direction of the DIP Lenders or any of such Liens does not have the priority required hereunder for any reason in any jurisdiction;
 - (s) any Obligor commences an action or any other proceeding in any proceeding or in any other court (i) to obtain any form of relief against the DIP Agent or DIP Lenders (or any one or more of them) including without limitation a proceeding to recover damages from the DIP Agent or the DIP Lenders or to obtain payment of any amounts purported to be owing by the DIP Agent or the DIP Lenders (or any one or more of them) to any Obligor if the DIP Agent or the DIP Lenders (or any one or more of them) disputes any of the same or (ii) to challenge in any way the enforceability of this Agreement or any document entered in connection herewith or the Liens granted under or pursuant to the DIP Security;
 - (t) any Obligor seeks, or consents to, any amendment of the SISF without the prior written consent of the DIP Agent at the direction of the Supermajority DIP Lenders;
 - (u) the expiry without further extension of the stay of proceedings in the CCAA Proceeding;
 - (v) the denial or purported repudiation by any Obligor of the legality, validity, binding nature, or enforceability of this Agreement or any document entered into in connection herewith, or any Obligor commencing any action or proceeding in any proceeding for a declaration or order to such effect;
 - (w) this Agreement or any other document entered into in connection herewith (and for certainty including without limitation the DIP Security) ceases to be enforceable;
 - (x) except as stayed by order of the Court, the entry of one or more final judgements, writs of execution, garnishments or attachments representing a claim or claims in excess of \$100,000 or the equivalent amount thereof in any other currency, in the aggregate, against any Obligor or the property and assets of any Obligor which are subject to the Liens in favor of the DIP Agent for the benefit of the DIP Lenders that is not released, bonded, satisfied, discharged, vacated, stayed or accepted for payment by an insurer within 30 days after its or their entry, commencement or levy;
 - (y) any Obligor seeks the approval of any Alternative Financing Arrangement by the Court that does not provide for the full repayment in cash of the DIP Facility and the DIP Obligations;
 - (z) any Obligor shall incorporate, create, or organize any new

subsidiaries after the date of this Agreement;

- (aa) (i) any changes by any Obligor to the composition of its board of directors or (ii) any Obligor retains or appoints a chief restructuring officer or Person in a similar role , in each case without the prior consent of the Required DIP Lenders or a Court order.
- (bb) any Court order is issued pointing a chief restructuring advisor or similar role, or expending the role of the Monitor, in each case, without the consent of the Required DIP Lenders.

29. 28. **Remedies:**

Upon the occurrence and continuance of an Event of Default ~~which has not been cured by the Borrowers within 30 days of receiving written notice of such Event of Default by the DIP Lender, the DIP Lender may in its discretion,~~ the DIP Agent (acting at the direction of the Required DIP Lenders) or the Required DIP Lenders may elect on prior written notice to the Borrowers and the Monitor to:

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

~~(e)~~ The DIP Agent (acting at the direction of the Required DIP Lenders) may use (for certainty, on the instructions of the Required DIP Lenders in accordance with the definition thereof and section 33) any or all of the DIP Obligations as a credit bid and/or to pay for some or all of the purchase price (including any deposit payable in connection with such transaction) in connection with (a) any purchase of some or all of the properties and assets of the Borrowers and the Guarantors (or any one or more of them), (b) any Restructuring Transaction agreed to by the Borrowers (in consultation with the Monitor) and the Required DIP Lenders, in each case subject to any Court order and such reasonable terms and conditions as may be required in the opinion of the Borrowers (in consultation with the Monitor), each acting reasonably, to protect the Borrowers' restructuring process.

30. ~~29.~~ **Taxes:**

All payments by an Obligor under this Agreement, including any payments required to be made from and after the exercise of any remedies available to the DIP ~~Lender~~Agent and/or the DIP Lenders upon the occurrence and continuance of an Event of Default, shall be made free and clear of, without reduction for or on account of, any present or future Taxes; provided, however, that if any Taxes are required by applicable Law to be withheld ("**Withholding Taxes**") from any amount payable to the DIP ~~Lender~~Lenders under this Agreement, the amounts so payable to the DIP ~~Lender~~Lenders shall be increased to the extent necessary to yield to the DIP ~~Lender~~Lenders on a net basis after payment of all Withholding Taxes, the amount payable hereunder at the rate or in the amount specified hereunder and the Obligors shall provide evidence satisfactory to the Required DIP ~~Lender~~Lenders that the Taxes have been so withheld and remitted.

If the Borrowers pay an additional amount to the DIP Lenders to account for any Withholding Taxes, the DIP Lenders shall reasonably cooperate with the Borrowers to obtain a refund of the amounts so withheld, including filing income tax returns in applicable jurisdictions, claiming a refund of such Withholding Tax and providing evidence of entitlement to the benefits of any applicable tax treaty. The amount of any refund so received, and interest paid by the tax authority with respect to any refund, shall be paid over by the DIP Lenders to the Borrowers promptly. If reasonably requested by the Borrowers, the DIP Lenders shall apply to the relevant taxing authority to obtain a waiver from such withholding requirement, and the DIP Lenders shall cooperate with the Borrowers and assist the Borrowers to minimize the amount of Withholding Tax required, in each case at the Borrowers' sole expense.

31. ~~30.~~ **Termination by Borrowers**

The Borrowers shall be entitled to terminate this Agreement upon notice to the DIP ~~Lender~~: ~~(a) in the event that the DIP Lender has failed to fund any Advance when required to do so under this Term Sheet, or~~ (b) Lenders at any time following the indefeasible payment in full in immediately available funds of all of the outstanding DIP Obligations. Effective immediately upon such termination, all obligations of the ~~Obligors~~Borrowers and the DIP ~~Lender~~Lenders under this Agreement shall cease, except for those obligations that explicitly survive termination. For greater certainty, all outstanding DIP Obligations in respect of all Advances funded prior to such termination shall become immediately due and payable concurrently with such termination and the DIP ~~Lender~~Lenders shall not be required to make any further extensions of credit under this Agreement.

32. ~~31.~~ **Further Assurances:**

The Obligors shall, at their own expense, from time to time do, execute and deliver or will cause to be done, executed and delivered, all such further acts, documents (including, without limitation, certificates, declarations, affidavits, reports and opinions) as the Required DIP ~~Lender~~Lenders may reasonably request for the purpose of giving effect to this Agreement.

33. ~~32.~~ **Entire Agreement:**

This Agreement constitutes the entire agreement between the parties related to the subject matter hereof. To the extent there is any inconsistency between this Agreement and any other documents entered into in connection herewith, this Agreement shall prevail.

34. ~~33.~~ **Amendments and Waivers:**

No waiver or delay on the part of the DIP ~~Lender~~Lenders in exercising any right or privilege hereunder will operate as a waiver hereof or thereof unless made in writing and delivered in accordance with the terms of this Agreement.

All consents, waivers or amendments to or in connection with this Agreement and the DIP Facility and the transactions contemplated hereby or thereby must be in writing and if approved in writing by the DIP Agent at the direction of the Required DIP Lenders shall be binding on all of the DIP Lenders including those Lenders which did not execute any such consent, waiver or amendment; and any matters, documents or other things required to be acceptable or satisfactory to the DIP Lenders are and shall be deemed to be acceptable and satisfactory to all the DIP Lenders if acceptable or satisfactory to the DIP Agent at the direction of the Required DIP Lenders; provided that and for certainty, no consent, waiver or amendment shall be binding on the DIP Lenders unless each of the DIP Lenders executes a consent, waiver or amendment for any of the following matters: (a) increase the amount of any Lender's DIP Facility commitment amount; (b) change to the Maturity Date; (c) postpone or delay the date for payment of any principal, interest or other DIP Obligations; (d) reduce the principal amount owing by the Borrowers or the rate of interest or any other fees applicable to amounts owing or to become owing hereunder or under the other documents in connection herewith; (e) change the pro rata commitments of any of the DIP Lenders in connection with the DIP Facility; (f) amend this section 33, the definition of "Required DIP Lenders", the definition of "Supermajority DIP Lenders" or any provision providing for consent or other action by all or any specific percentage or portion of the DIP Lenders; (g) discharge any Obligor from its payment obligations under hereunder or under any other document in connection herewith or release any DIP Security except as may be expressly provided for in this Agreement; or (h) amend the terms and conditions of the application of proceeds of any repayments or the sharing of payments; provided further that any consent, amendment, waiver or other modification with respect to this Agreement that would adversely and disproportionately modify the rights of any DIP Lender (in its capacity as such) under the DIP Facility compared to other DIP Lenders shall require the prior written consent of each such affected DIP Lender. Notwithstanding anything to the contrary contained herein, any consent, amendment, waiver or other modification that subordinates, or has the direct or indirect effect of subordinating, (x) any DIP Obligations in right of payment to any other Indebtedness for borrowed money or (y) any Liens securing the DIP Obligations to any Liens securing any other Indebtedness for borrowed money, in each case, shall require the prior written consent of the Supermajority DIP Lenders.

~~This Agreement may not be amended or waived except by an instrument in writing signed by each of the Obligors and the DIP Lender.~~
In addition, the Required DIP Lenders shall consult all other DIP Lenders in connection with any consent, waiver, amendment or other modification requiring the consent of the Required DIP Lenders..

35. ~~34.~~ **Severability:**

Any provision in this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or ~~effecting~~affecting the validity ~~efor~~of enforceability of such provision in any other jurisdiction.

36. ~~35.~~ **No Third Party Beneficiary:**

No Person, other than the Obligors and the DIP ~~Lender~~Lenders are entitled to rely upon this Agreement and the parties expressly agree that this Agreement does not confer rights upon any party not a signatory hereto.

37. ~~36.~~ **Counterparts and Facsimile Signatures:**

This Agreement may be executed in any number of counterparts delivered by e-mail, including in PDF format, each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same instrument. Any party may execute this Agreement by signing any counterpart of it.

38. ~~37.~~ **Assignment:**

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.
Upon the Borrowers' acceptance of this Agreement, this Agreement shall be amended and restated to include provisions pursuant to which DIP Lenders may assign DIP Loans and/or sell participations in DIP Loans. Any DIP Lender may assign its rights and obligations under the DIP Facility, in whole or in part, to any Person acceptable to such DIP Lender, in its sole and absolute discretion.

39. ~~38.~~ **Notices:**

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

in the case of a notice to the Obligors at:

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

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

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

Davies Ward Phillips & Vineberg LLP
155 Wellington St. W.

Toronto, ON M5V 3J7
Attention: Natalie Renner and Rob Nicholls
Email: nrenner@dwpv.com and rnicholls@dwpv.com

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

Shall be sent to all DIP Lenders, until DIP Agent is appointed.

■

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

See Schedule "A".

Attention: ■

Email: ■

In either case, with a copy to the Monitor:

FTI Consulting Canada Inc.

Attention: Jeffrey Rosenberg

Email: Jeffrey.rosenberg@fticonsulting.com

With a copy to, which shall not constitute notice:

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

Attention: Marc Wasserman and Michael De Lellis

Email: mwasserman@osler.com and mdelellis@osler.com

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

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

40. ~~39.~~ **Governing Law and Jurisdiction:**

This Agreement shall be governed by, and construed in accordance with, the Laws of the Province of Ontario and the federal Laws of Canada applicable therein.

41. ~~40.~~ **Definitions:**

For the purposes of this Agreement, unless context otherwise requires, the following terms have the respective meanings set out below, and grammatical variations of such terms have corresponding meanings:

"Advance" has the meaning given to that term in ~~Section~~section 8;

"**Advance Notice**" has the meaning given to that term in ~~Section~~section 8;

"**Affiliate**" of any Person means, at the time such determination is being made, any other Person controlling, controlled by or under common control with such first Person, where "control" means the possession, directly or indirectly, of the power to direct the management and policies of such Person, whether through the ownership of voting securities or otherwise;

"**Agreement**" means this Agreement, including all Schedules, as it may be modified, amended, revised, restated, replaced, supplemented or otherwise changed from time to time and at any time hereafter;

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

"**Alternative Financing Arrangements**" means any other agreement or arrangement entered into by the Obligors with any other Person for the provision of debtor-in-possession financing, in accordance with the terms hereof and subject to approval of the Court;

"**Amended and Restated Initial Order**" means the order of the Court entered on May 25, 2026;

"**Alternative Offtake and Service Agreements**" means offtake, service or other agreements in respect of the business of the Borrowers;

"**Approved Cash Flow Forecast**" has the meaning given to that term in ~~Section~~section 14;

"**Authorization**" means, with respect to any Person, any order, permit, approval, consent, waiver, licence or similar authorization of any Governmental Authority related to the Collateral or the Business;

"**Benefits Agreement**" means the impact benefits agreement between BIM Corp. and the Qikiqtani Inuit Association dated September 6, 2013, as amended on October 22, 2018, and as may be further amended, supplemented or amended and restated from time to time;

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

"**Borrowers' Account**" has the meaning given to that term in ~~Section~~section 19;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

"Event of Default" has the meaning given to that term in ~~Section~~section 27;

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

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

"Hedging Obligations" ~~means, with respect to~~of any Person; means the ~~net payment~~ obligations of such Person ~~outstanding under (a) interest rate or currency swap agreements, interest rate or currency cap, collar or floor agreements and (b) any other agreements or arrangements entered into in order to protect such Person against fluctuations in commodity prices, interest rates or currency exchange rates;~~pursuant to any Interest Rate Agreement, Currency Agreement or Commodity Agreement;

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

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

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

a creditor against loss (for certainty, Hedging Obligations incurred by an Obligor in the ordinary course shall not be considered Indebtedness for purposes of this Agreement);

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

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

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

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

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

"Initial Order" means ~~an~~the order, ~~or orders,~~ of the Court, ~~in form and substance satisfactory to the DIP Lender and obtained on application made on notice to, such Persons as the DIP Lender and Obligors determine, acting reasonably, among other things, granting the Obligors protection under the CCAA, appointing the Monitor, approving the DIP Facility, granting the DIP Charge and approving the Initial Advance; entered on May 15, 2026;~~

"Interest Payment Date" has the meaning given to that term in ~~Section~~section 14;

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

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

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

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

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

"Maturity Date" has the meaning given to that term in ~~Section~~section 20;

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

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

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

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

"Permitted Priority Liens" means (i) the Priority Charges; (ii) any Lien in respect of amounts payable by the Borrowers for wages, vacation pay, employee deductions, sales tax, excise tax, tax payable pursuant to Part IX of the *Excise Tax Act* (Canada) (net of input credits), income tax and workers compensation claims, in each case solely to the extent such amounts are given priority by applicable Law and only to the extent that the priority of such amounts has not been subordinated to the DIP Charge granted by the Court; and (iii) such other Liens existing as of the Filing Date that have not been subordinated to the DIP Charge granted by the Court.

"Permitted Variance" means, for each Testing Period, (A) a negative variance of (i) more than 10.0% of projected receipts for such Testing Period; (ii) more than 10.0% of projected receipts for the cumulative period commencing on the date of the initial Approved Cash Flow Forecast and ending on the last day of such Testing Period; (iii) more than 10.0% of projected disbursements for such Testing Period; and (iv) more than 10.0% of projected disbursements for the cumulative period commencing on the date of the initial Approved Cash Flow Forecast and ending on the last day of such Testing Period or (B) to the extent any Approved Cash Flow Forecast sets forth a permitted variance with respect to a specific line item, such variance as specified therein.

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

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

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

"Restructuring Transaction" means any restructuring, financing, refinancing, recapitalization, sale, liquidation, workout, plan or other

material transaction of, or in respect of, the Obligors, or any of them, or all or a material portion of their Business, assets or obligations;

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

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

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

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

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

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

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

"SISP" has the meaning given to that term in section 26;

"Steensby Expansion" has the meaning given to that term in section 23;

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

"Supermajority DIP Lenders" means, as of any time of determination, DIP Lenders holding not less than 66.67% of the sum of all DIP Loans outstanding and undrawn commitments in effect with respect thereto (without taking into account any commitments temporarily held by the

Fronting Lender for the account of the ultimate Lenders) at such time; provided that, at all times, "Supermajority DIP Lenders" must include at least three (3) DIP Lenders, which DIP Lenders are not affiliates of each other.

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

"Updated Cash Flow" has the meaning given to that term in ~~Section~~section 14; ~~and-~~

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

"Withholding Taxes" has the meaning given to that term in ~~Section~~section 29.

[Signature page follows]

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

DIP ~~LENDER~~LENDERS:

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

~~by~~
By

OPPS XII BLIM Holdings, L.P.

By: Oaktree Fund GP IIA, LLC

Its: General Partner

By: Oaktree Fund GP II, L.P.

Its: Managing Member

By:

By:

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

BORROWERS:

**BAFFINLAND IRON MINES
CORPORATION**

by _____

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

by _____

GUARANTORS:

NUNAVUT IRON ORE, INC.

by _____

12334992 CANADA INC.

by _____

SCHEDULE A

~~APPROVED CASH FLOW~~ DIP FACILITY COMMITMENTS

<u>DIP Lender</u>	<u>DIP Commitment</u>	<u>Notice Address</u>	<u>Copies of Notice To:</u>
<u>Brigade Capital Management, LP</u>	<u>\$5,000,000</u>	<u>Ad Hoc Committee of Senior Secured Noteholders</u> <u>c/o Akin Gump Strauss Hauer & Feld LLP</u> <u>One Bryant Park</u> <u>New York, New York</u> <u>10022</u> <u>Attention: Ira Dizengoff, Meredith Lahaie and Lucas Charleston</u> <u>Email: idizengoff@akingump.com,</u> <u>mlahaie@akingump.com and lcharleston@akingump.com</u> <u>AND</u> <u>Cassels Brock & Blackwell LLP</u> <u>Suite 3200, Bay Adelaide Centre – North Tower</u> <u>Toronto, Ontario</u> <u>M5H 0B4</u> <u>Attention: Ryan Jacobs and Michael Wunder</u> <u>Email: rjacobs@cassels.com and mwunder@cassels.com</u>	
<u>Citadel Advisors LLC</u>	<u>\$1,500,000</u>		
<u>Polen Capital Credit, LLC</u>	<u>\$11,000,000</u>		
<u>OPPS XII BLIM Holdings, L.P.</u>	<u>\$42,000,000</u>	<u>Oaktree Capital Management</u> <u>555 South Flower Street,</u> <u>36th Floor</u> <u>Los Angeles, CA 90071</u> <u>Attention: David Nicoll</u> <u>Email:</u> <u>dnicoll@oaktreecapital.com</u>	<u>Paul, Weiss, Rifkind, Wharton & Garrison LLP</u> <u>1285 Avenue of the Americas</u> <u>New York, NY 10019</u> <u>Attention: Brian S. Hermann; Brian Bolin; Joseph Graham</u> <u>Email:</u> <u>bhermann@paulweiss.com;</u> <u>bbolin@paulweiss.com;</u> <u>jgraham@paulweiss.com</u> <u>AND</u> <u>Stikeman Elliott LLP</u> <u>5300 Commerce Court West, 199 Bay Street</u> <u>Toronto, ON M5L 1B9</u> <u>Attention: Maria Konyukhova</u> <u>Email:</u> <u>mkonyukhova@stikeman.com</u>
<u>Hartree Partners, LP</u>	<u>\$10,500,000</u>	<u>Hartree Partners, LP</u> <u>1185 Avenue of the Americas, New York, NY</u> <u>10036</u> <u>Attention: Scott Potolsky</u> <u>Email:</u> <u>HMFI-notices@hartreepartners.com</u> <u>CC:</u> <u>legalNY@hartreepartners.com</u>	
<u>Total.....</u>	<u>\$70,000,000</u>		

SCHEDULE B

APPROVED CASH FLOW FORECAST

SCHEDULE C

LOAN GUARANTY

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

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

(c) No Discharge or Diminishment of Guaranty.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

This is Exhibit "F" referred to in the Affidavit of Joshua Gordon, affirmed June 4, 2026. The affiant and I both were located in the City of Toronto, in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in black ink, appearing to read 'Alec Hoy', positioned above a horizontal line.

Commissioner for Taking Affidavits (or as may be)

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

From: Rosenberg, Jeffrey <Jeffrey.Rosenberg@fticonsulting.com>
Sent: Wednesday, May 27, 2026 9:48 AM
To: mkonyukhova@stikeman.com; Jacobs, Ryan <rjacobs@cassels.com>
Cc: Watson, Greg <greg.watson@fticonsulting.com>; mwasserman@osler.com
Subject: CCAA Proceedings of Baffinland Iron Mines Corporation et al. (the “Applicants”) (Court File No. CL-26-00000219-0000) – Applicants’ Issues List in respect of Interim Financing Proposal

CAUTION: External Email

Please find attached the Applicants’ issues list in respect of the interim financing proposal that you submitted in connection with the interim financing solicitation process being conducted by the Applicants.

Please provide responses to the issues identified by **no later than 3:00 p.m. (Toronto time) today, May 27, 2026.**

Thank you, Jeff

Jeffrey Rosenberg
Senior Managing Director

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Project O – DIP Proposal – Secured Lenders

The following is a list of the key business and legal issues arising from our review of Oaktree Capital Management, L.P. and Hartree Partners, LP (collectively, “**Oaktree**”) and the ad hoc group of holders of 8.750% senior secured notes due 2026 issued by Baffinland Iron Mines Corporation (collectively, the “**Noteholders**” and together with Oaktree, the “**Secured Lenders**”) comments to the bid draft DIP Facility Term Sheet (the “**Term Sheet**”) of Baffinland Iron Mines Corporation and Baffinland Iron Mines LP (collectively, “**BIM**”). This list does not constitute a comprehensive list of issues or comments on the Term Sheet. Capitalized terms used but undefined herein have the meanings ascribed to them in the Term Sheet.

#	Issue	Bid Draft Term Sheet	Oaktree and Noteholder Draft	BIM Comments
1.	DIP Facility	\$300M revolving DIP Facility.	\$300M delayed draw term facility. Lenders are severally and not jointly liable. The DIP Lenders also proposed an interim financing facility in the amount of \$70M with an initial advance of \$50M. The terms of this facility include an Exit Fee of \$1.2M payable upon repayment, unless refinanced before maturity.	Unclear what happens if a DIP Lender fails to fund. Especially given there is no termination right for the Borrower if this occurs. DIP Facility expected to be a revolver. Anticipating potential litigation in connection with the DIP - the DIP should contemplate a potential interim financing in the amount of \$110M at BIM’s option, not subject to fees for an initial four week period and be freely assignable in a refinancing.
2.	DIP Advances	No cap on subsequent advances, need only satisfy the Subsequent	Initial Advance Conditions require (i) a stay of proceedings until at least September 30, 2026, (ii)	This level of conditionality on the Initial Advance is not aligned with committed financing.

		Advance Conditions (essentially no EoD and Amended and Restated Initial Order has been issued).	advance notice of at least 3 Business Days, (iii) DIP lenders must have received officer's certs and resolutions in a form satisfactory to them and be satisfied that no encumbrances rank ahead of the DIP Charge and (iv) the Borrowers must provide a list of all material licenses and permits required for the continued operation of the Business.	
3.	Use of Proceeds	DIP Facility to be used in accordance with Approved Cash Flow, which includes royalty payments under Royalty Agreements and amounts payable under the Benefits Agreement.	DIP Facility to be used in accordance with the Approved Cash Flow Forecast, including pre and post-filing expenses payable to the DIP Lenders or their advisors under the Senior Credit Agreement and the Indenture, royalty payments and amounts payable under the Benefits Agreement. BIM and Monitor professional fees are only to be paid if in the Approved Cash Flow Forecast.	The use of proceeds are inconsistent with the covenants which preclude Royalty Payments to shareholders of Borrowers. Pre-filing amounts cannot be paid under DIP. BIM professional fees cannot be subject to approval by the DIP Lender. Monitor cannot have any limitation on its role in this case or otherwise fetter its rights by restricting its ability to pay its fees and the fees of its counsel.

4.	Interest and Fees	Interest on DIP Facility to be proposed by DIP lenders.	Interest rate to be Adjusted Term SOFR (as defined in the Senior Credit Agreement)¹ plus 7.00%. Upfront fee of 3.00% payable on the total Loan Amount which PIKs. Unclear whether this fee reduces total availability. Borrowers are to pay all reasonable fees of advisors which include: (i) Stikeman, (ii) Paul Weiss, (iii) a financial advisor, (iv) Akin, (v) Cassels and (vi) Houlihan Lokey, in connection with the DIP and a potential Restructuring Transaction. All accrued expenses will be paid in full through a deduction from the initial advance. Third party fees are to be paid within 2 Business Days of being invoiced.	Best and final pricing terms should be delivered in next round. Secured Lenders to provide an estimate of all professional fees and expenses until maturity and how much is currently outstanding. This is an excessive number of advisors. Secured Lenders to confirm if payment of fees are guaranteed by Secured Lenders.
5.	Financial Reporting	Approved Cash Flows to be attached to the Term Sheet and approved by the DIP Lender.	Approved Cash Flows may be revised in a form acceptable to the Required DIP Lenders. No further amounts past the 13-week Approved Cash Flow Forecast	BIM requires committed funding for the anticipated 24 month SISP process, based on its cash projections previously shared.

¹ Adjusted Term SOFR is defined in the Senior Credit Agreement as Term SOFR for the relevant interest period (e.g. approximately 3.6% today) plus 0.10%-0.25% depending on the applicable SOFR term, subject to a 2% floor.

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		No variance reporting.	may be rolled-forward unless the DIP Lenders approve. Revised cash flows provided from time to time. Variance reports deliverable every second week. A negative variance of more than 10% in any two-week period is an Event of Default.	The Approved Cash Flow is to be in a form originally acceptable to the Secured Lenders, acting reasonably. An agreed form of variance report is to be delivered every 4 weeks. If such variance report does not show a negative variance of more than 15% (excluding the impact of the Secured Lender's professional fees and expenses and commodity price fluctuations) the applicable cash flows will not be subject to rejection by the Secured Lenders.
6.	Repayment and Maturity	Revolving facility must be repaid upon the earlier to occur of (i) an Event of Default which is not cured for 30 days, (ii) conversion to a BIA proceeding, or (iii) some period after the completion of a Restructuring Transaction.	DIP Facility must be repaid upon the earlier to occur of (i) an Event of Default (some limited cure periods on some Events of Default), (ii) 1 year after the date of the DIP Term Sheet, subject to two extension of 3 months each if the DIP Lenders approve of the new budget and a 2% extension fee which PIKs, or (iii) conversion of the CCAA Proceedings into proceedings under the BIA.	A number of EoDs have a hair trigger on default; reasonable cure periods are required. Outside date for SISP process and potential extension periods are too short given proposed SISP process length. BIM requires at least 2 months to design SISP process and 24 months from its initiation.
7.	Prepayments	No mandatory prepayment provision.	BIM required to prepay DIP Facility in the event it disposes of collateral outside of the ordinary course of business or receives any insurance proceeds or any	Standard carve-outs for insurance proceeds and cash from disposal of obsolete goods being used to replace damaged or obsolete assets to be included.

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			cash received outside of the ordinary course of business.	Cash received outside of ordinary course of business should not be required to be paid to the DIP Lenders.
8.	Representations	Limited set of reps provided.	Scope of reps greatly expanded, including, among others: (i) title rep, (ii) licence rep, (iii) insurance rep, (iv) no default under Material Contracts rep, (v) no litigation rep, (vi) no omissions rep, and (vii) a SISP and Steensby expansion reporting rep.	To discuss if added reps are capable of being made; however, some are duplicative and unworkable. Scope of reps to be pared back substantially and standard materiality, reasonability and knowledge qualifiers to be added.
9.	Covenants	Limited set of positive and negative covenants.	Scope of positive covenants greatly expanded, including, among others, covenants to: (i) deliver information requested by the DIP Lenders, (ii) provide the DIP Lenders with drafts of all motion materials, (iii) pay all DIP Lender expenses at least every two weeks, (iv) continue operations in the ordinary course, ensure fuel is obtained, ship all products for sale and not change employee head count, (v) disclaim all contracts not within the Approved Cash Flow Forecast, (vi) establish a risk management program and provide the DIP Lenders with a right of first refusal on any hedges, (vii) take all actions to maintain all licenses and to	Scope of covenants extremely restrictive and duplicative in a number of places. Covenants to be pared back substantially and standard materiality, reasonability and knowledge qualifiers added to avoid unnecessary Events of Default and allow BIM to operate its business. 6Mt permit is not held by the business. DIP Lenders should not have a right of first refusal on hedges. This would prevent BIM from obtaining hedges on market terms.

			obtain and preserve the permit to allow for transportation of 6Mt, and (viii) enter into a KERP/KEIP by June 5, 2026 in form satisfactory to DIP Lenders. Scope of negative covenants likewise greatly expanded, including prohibitions on (i) royalty payments to shareholders, (ii) payments to Glencore, and (iii) taking any action which may impair the ability of the Obligor to utilize operating losses.	
10.	SISP	Deadline for commencement of SISP to be six months after the issuance of the Initial Order. SISP to close no later than 24 months after the commencement of the SISP.	SISP process to be in form acceptable to the DIP Lenders, must be commenced within 3 months of the Second Amended and Restated Initial Order. Final deadline for SISP is 1 year after its commencement.	BIM requires at least 2 months to design SISP process and 24 months from its initiation.
11.	Events of Default	Standard set of Events of Default	Scope of Events of Default greatly expanded, including, among others, (i) cross default with any Material Contract, or an amendment thereto, (ii) default upon failure to pay DIP Lender expenses within 2 Business Days of invoices therefor, (iii) a 10%	As with the added covenants, the added Events of Default are extremely onerous, duplicative and serve as another tool for the DIP Lenders to control the operations of the business.

			cumulative negative variance from the DIP Budget, (iv) any order granted against BIM in excess of \$100,000, and (v) any event that materially affects the Obligors as determined by the DIP Lenders in their sole discretion. Upon an Event of Default occurring the DIP Lenders can accelerate the repayment of the DIP Facility, including the Commitment Fee. There are no general cure periods on defaults and very limited cure periods on certain specified defaults.	
12.	Termination	BIM is entitled to terminate in the event the DIP Lender fails to fund or upon the full payment of the DIP Obligations.	BIM is only entitled to terminate the Term Sheet upon the <u>indefeasible</u> payment of the DIP Obligations.	The effect of this change is to allow the DIP Lenders to not fund and preclude BIM from terminating the DIP Facility. Additionally, even after BIM repays all of the DIP Obligations, the DIP Facility (and the security granted in connection therewith) will not be terminated/released until it has been determined to have been indefeasibly repaid. Lenders have used the addition of “indefeasible” repayment to not release security for up to six months.

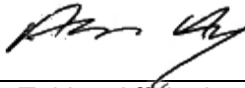
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13.	Assignment	Silent on DIP Lender assignment.	DIP Lenders entitled to assign prior to Initial Advance and are only severally liable for obligations.	This creates ability for DIP Lenders to avoid funding by assigning to parties without adequate liquidity to fund draws. It also creates the potential for a large number of DIP Lenders – creating potential material administrative impediment to approvals. A similar issue arises in respect of the various Supermajority DIP Lender approval requirements. To ensure potential interim financing can be provided during potential litigation in connection with the DIP, DIP should be capable of refinance without fees for a limited duration.
14.	Steensby	Silent on Steensby.	The DIP Lenders will only approve allocations to Steensby if a binding bid in the SISF has been provided which repays in full the DIP and the obligations to the senior secured creditors in full and the bidder consents to the Steensby Expansion, in addition to other conditions.	This will preclude any payments on Steensby, including those necessary to maintain authorizations. Please confirm if this is still the Secured Lenders' position.
15.	Operating Plan	Silent on operating plan.	BIM required to provide a business plan for approval by the Secured Lenders.	This overly restricts BIM's ability to manage its operations during the CCAA proceedings; adequate oversight is provided by the Approved Cash Flow.

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16.	Syndication	Silent on syndication.	No backstop provisions included.	If loan is to be syndicated customary lender backstop provisions are required to ensure certainty of funding, including restrictions on eligible lenders, and defaulting lender provisions.

This is Exhibit “G” referred to in the Affidavit of Joshua Gordon, affirmed June 4, 2026. The affiant and I both were located in the City of Toronto, in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

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

From: Maria Konyukhova <mkonyukhova@stikeman.com>
Sent: Wednesday, May 27, 2026 4:17 PM
To: Rosenberg, Jeffrey <Jeffrey.Rosenberg@fticonsulting.com>; Jacobs, Ryan <rjacobs@cassels.com>
Cc: Watson, Greg <greg.watson@fticonsulting.com>; mwasserman@osler.com
Subject: RE: CCAA Proceedings of Baffinland Iron Mines Corporation et al. (the "Applicants") (Court File No. CL-26-00000219-0000) – Applicants' Issues List in respect of Interim Financing Proposal

CAUTION: External Email

Hi Jeff. Further to my note below, I am attaching our responses to the Applicants' issues. While our clients wanted to be responsive to the issues the Applicants raised in the short time we were provided, some of the issues raised by the Applicants are in need of clarification in order to provide fully informed responses. We have noted those in the attached document. In particular, in order to consider some of the Applicants' feedback including related to the duration of the SISF, our clients would like to understand the Monitor's views on the Applicants' request for a 26 month SISF (from creation to completion) and the Company's ability to fund its operations through that period. We would appreciate a call with you to discuss those issues at your earliest convenience.

Maria Konyukhova

Direct: +1 416 869 5230
Mobile: +1 416 319 1632
Email: mkonyukhova@stikeman.com

From: Rosenberg, Jeffrey <Jeffrey.Rosenberg@fticonsulting.com>
Sent: Wednesday, May 27, 2026 2:52 PM
To: Maria Konyukhova <mkonyukhova@stikeman.com>; Jacobs, Ryan <rjacobs@cassels.com>
Cc: Watson, Greg <greg.watson@fticonsulting.com>; mwasserman@osler.com
Subject: RE: CCAA Proceedings of Baffinland Iron Mines Corporation et al. (the "Applicants") (Court File No. CL-26-00000219-0000) – Applicants' Issues List in respect of Interim Financing Proposal

Understood.

Thank you, Jeff

From: Maria Konyukhova <mkonyukhova@stikeman.com>
Sent: Wednesday, May 27, 2026 2:34 PM
To: Rosenberg, Jeffrey <Jeffrey.Rosenberg@fticonsulting.com>; Jacobs, Ryan <rjacobs@cassels.com>
Cc: Watson, Greg <greg.watson@fticonsulting.com>; mwasserman@osler.com
Subject: [EXTERNAL] RE: CCAA Proceedings of Baffinland Iron Mines Corporation et al. (the "Applicants") (Court File No. CL-26-00000219-0000) – Applicants' Issues List in respect of Interim Financing Proposal

Thanks, Jeff. We are working with our clients on preparing responses to these issues and will deliver same as soon as possible; however, that may be past 3:00 p.m.

Maria Konyukhova

Direct: +1 416 869 5230
Mobile: +1 416 319 1632
Email: mkonyukhova@stikeman.com

From: Rosenberg, Jeffrey <Jeffrey.Rosenberg@fticonsulting.com>
Sent: Wednesday, May 27, 2026 9:48 AM
To: Maria Konyukhova <mkonyukhova@stikeman.com>; Jacobs, Ryan <rjacobs@cassels.com>
Cc: Watson, Greg <greg.watson@fticonsulting.com>; mwasserman@osler.com
Subject: CCAA Proceedings of Baffinland Iron Mines Corporation et al. (the "Applicants") (Court File No. CL-26-00000219-0000) – Applicants' Issues List in respect of Interim Financing Proposal

Please find attached the Applicants' issues list in respect of the interim financing proposal that you submitted in connection with the interim financing solicitation process being conducted by the Applicants.

Please provide responses to the issues identified by **no later than 3:00 p.m. (Toronto time) today, May 27, 2026.**

Thank you, Jeff

Jeffrey Rosenberg
Senior Managing Director

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Project O – DIP Proposal – Secured Lenders

The following is a list of the key business and legal issues arising from our review of Oaktree Capital Management, L.P. and Hartree Partners, LP (collectively, “**Oaktree**”) and the ad hoc group of holders of 8.750% senior secured notes due 2026 issued by Baffinland Iron Mines Corporation (collectively, the “**Noteholders**” and together with Oaktree, the “**Secured Lenders**”) comments to the bid draft DIP Facility Term Sheet (the “**Term Sheet**”) of Baffinland Iron Mines Corporation and Baffinland Iron Mines LP (collectively, “**BIM**”). This list does not constitute a comprehensive list of issues or comments on the Term Sheet. Capitalized terms used but undefined herein have the meanings ascribed to them in the Term Sheet.

#	Issue	Bid Draft Term Sheet	Oaktree and Noteholder Draft	BIM Comments	Secured Lender Response
1.	DIP Facility	\$300M revolving DIP Facility.	\$300M delayed draw term facility. Lenders are severally and not jointly liable. The DIP Lenders also proposed an interim financing facility in the amount of \$70M with an initial advance of \$50M. The terms of this facility include an Exit Fee of \$1.2M payable upon repayment, unless	Unclear what happens if a DIP Lender fails to fund. Especially given there is no termination right for the Borrower if this occurs. DIP Facility expected to be a revolver. Anticipating potential litigation in connection with the DIP - the DIP should contemplate a potential interim financing in the amount of \$110M at BIM’s option, not subject to fees for an initial four week period and be freely assignable in a refinancing.	Delayed Draw Term Loan is administratively easier for lenders, including through use of fronting bank. Further, our understanding is that the Company does not intend to meaningfully repay and reborrow amounts during the CCAA proceeding, so it is unclear why the revolver/DDTL structure is material. The Borrower has standard contractual remedies available to it in the event any DIP Lender does not fund in

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#	Issue	Bid Draft Term Sheet	Oaktree and Noteholder Draft	BIM Comments	Secured Lender Response
			refinanced before maturity.		contravention of its obligations. The DIP Lenders are willing to raise the amount of interim funding to \$110M, consistent with an Approved Cash Flow Forecast. The DIP obligations cannot be “freely assignable” by the Borrowers. If there is a refinancing of the DIP, existing lenders should be paid in full and assignability of the Borrower’s obligations is not relevant.
2.	DIP Advances	No cap on subsequent advances, need only satisfy the Subsequent Advance Conditions (essentially no EoD and Amended and Restated Initial	Initial Advance Conditions require (i) a stay of proceedings until at least September 30, 2026, (ii) advance notice of at least 3 Business Days, (iii) DIP lenders must have received officer’s certs and resolutions in a form satisfactory to them and	This level of conditionality on the Initial Advance is not aligned with committed financing.	Please specify which conditions to Initial and Subsequent Advances are unacceptable. Provision of advanced notice and required officer’s certs and the list of licenses/permits are wholly within the Borrowers’ control; if you

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#	Issue	Bid Draft Term Sheet	Oaktree and Noteholder Draft	BIM Comments	Secured Lender Response
		Order has been issued).	be satisfied that no encumbrances rank ahead of the DIP Charge and (iv) the Borrowers must provide a list of all material licenses and permits required for the continued operation of the Business.		anticipate not being able to provide a list of material licenses/permits please let us know why.
3.	Use of Proceeds	DIP Facility to be used in accordance with Approved Cash Flow, which includes royalty payments under Royalty Agreements and amounts payable under the Benefits Agreement.	DIP Facility to be used in accordance with the Approved Cash Flow Forecast, including pre and post-filing expenses payable to the DIP Lenders or their advisors under the Senior Credit Agreement and the Indenture, royalty payments and amounts payable under the Benefits Agreement. BIM and Monitor professional fees are only to be paid if in the Approved Cash Flow Forecast.	The use of proceeds are inconsistent with the covenants which preclude Royalty Payments to shareholders of Borrowers. Pre-filing amounts cannot be paid under DIP. BIM professional fees cannot be subject to approval by the DIP Lender. Monitor cannot have any limitation on its role in this case or otherwise fetter its rights by restricting its ability to pay its fees and the fees of its counsel.	The covenant is specific to royalty payments to shareholders, whereas the Use of Proceeds language (by reference to the defined term) is specific to those Royalty Agreements. We can clarify this. The current budget does not contemplate making payments under shareholder royalty agreements during the case, so there should be no issue agreeing to the covenant proposed.

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#	Issue	Bid Draft Term Sheet	Oaktree and Noteholder Draft	BIM Comments	Secured Lender Response
					BIM/Monitor fees can be carved out from permitted variance caps.
4.	Interest and Fees	Interest on DIP Facility to be proposed by DIP lenders.	Interest rate to be Adjusted Term SOFR (as defined in the Senior Credit Agreement)¹ plus 7.00%. Upfront fee of 3.00% payable on the total Loan Amount which PIKs. Unclear whether this fee reduces total availability. Borrowers are to pay all reasonable fees of advisors which include: (i) Stikeman, (ii) Paul Weiss, (iii) a financial advisor, (iv) Akin, (v) Cassels and (vi) Houlihan Lokey, in connection with the DIP and a potential Restructuring	Best and final pricing terms should be delivered in next round. Secured Lenders to provide an estimate of all professional fees and expenses until maturity and how much is currently outstanding. This is an excessive number of advisors. Secured Lenders to confirm if payment of fees are guaranteed by Secured Lenders.	We will provide estimated run rates for Secured Lender professional fees. Secured Lenders' advisors' fees are already payable by the Company under their respective credit agreements. Selecting the Secured Lenders as the DIP lenders will have the added advantage of removing one additional layer of advisor fees.

¹ Adjusted Term SOFR is defined in the Senior Credit Agreement as Term SOFR for the relevant interest period (e.g. approximately 3.6% today) plus 0.10%-0.25% depending on the applicable SOFR term, subject to a 2% floor.

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#	Issue	Bid Draft Term Sheet	Oaktree and Noteholder Draft	BIM Comments	Secured Lender Response
			Transaction. All accrued expenses will be paid in full through a deduction from the initial advance. Third party fees are to be paid within 2 Business Days of being invoiced.		
5.	Financial Reporting	Approved Cash Flows to be attached to the Term Sheet and approved by the DIP Lender. No variance reporting.	Approved Cash Flows may be revised in a form acceptable to the Required DIP Lenders. No further amounts past the 13-week Approved Cash Flow Forecast may be rolled-forward unless the DIP Lenders approve. Revised cash flows provided from time to time. Variance reports deliverable every second week. A negative variance of more than 10% in any two-week period is an Event of Default.	BIM requires committed funding for the anticipated 24 month SISP process, based on its cash projections previously shared. The Approved Cash Flow is to be in a form originally acceptable to the Secured Lenders, acting reasonably. An agreed form of variance report is to be delivered every 4 weeks. If such variance report does not show a negative variance of more than 15% (excluding the impact of the Secured Lender's professional fees and expenses and commodity price fluctuations) the applicable cash flows will not be subject to rejection by the Secured Lenders.	12 months is already a long time period for a SISP process and the SISP process must be sufficiently capitalized. Extensions of that SISP process may be considered based on the facts at the end of that 12-month process, but pre-authorization of a 26-month process is not acceptable. We would like to discuss the Monitor's views on the appropriate timeline for a SISP and the ability of the Company to fund operations in that time period. OK to move from 2-week to 4-week variance reporting, but variance to

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#	Issue	Bid Draft Term Sheet	Oaktree and Noteholder Draft	BIM Comments	Secured Lender Response
				.	remain at 10%, subject to discussion with the Monitor on managing commodity line items. DIP Lender approval of budgets must be retained. Current language already provides for automatic roll-forward of OpEx if no approval is agreed. OK to carve lender fees out from the variance reporting, but the parties should discuss hedging arrangements and strategy.
6.	Repayment and Maturity	Revolving facility must be repaid upon the earlier to occur of (i) an Event of Default which is not cured for 30 days, (ii) conversion to a BIA proceeding, or (iii) some period after the completion of a	DIP Facility must be repaid upon the earlier to occur of (i) an Event of Default (some limited cure periods on some Events of Default), (ii) 1 year after the date of the DIP Term Sheet, subject to two extension of 3 months each if the DIP Lenders approve of the new budget and a 2% extension fee which	A number of EoDs have a hair trigger on default; reasonable cure periods are required. Outside date for SISF process and potential extension periods are too short given proposed SISF process length. BIM requires at least 2 months to design SISF process and 24 months from its initiation.	Secured Lenders are prepared to discuss. Please propose cure periods which would be acceptable to the Company with respect to the Events of Default you are concerned about. As noted above, the Secured Lenders are not willing to pre-authorize a SISF process for longer

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		Restructuring Transaction.	PIKs, or (iii) conversion of the CCAA Proceedings into proceedings under the BIA.		than 12 months. Further extensions may be granted pending the facts and circumstances at such time.
7.	Prepayments	No mandatory prepayment provision.	BIM required to prepay DIP Facility in the event it disposes of collateral outside of the ordinary course of business or receives any insurance proceeds or any cash received outside of the ordinary course of business.	Standard carve-outs for insurance proceeds and cash from disposal of obsolete goods being used to replace damaged or obsolete assets to be included. Cash received outside of ordinary course of business should not be required to be paid to the DIP Lenders.	Secured Lenders are prepared to discuss. Please advise on an acceptable individual and aggregate thresholds for non-ordinary course proceeds (including from insurance and disposal of obsolete goods) to be retained by the Debtors instead of used for repayment over the course of the case.
8.	Representations	Limited set of reps provided.	Scope of reps greatly expanded, including, among others: (i) title rep, (ii) licence rep, (iii) insurance rep, (iv) no default under Material Contracts rep, (v) no litigation rep, (vi) no omissions rep, and (vii) a SISF and Steensby expansion reporting rep.	To discuss if added reps are capable of being made; however, some are duplicative and unworkable. Scope of reps to be pared back substantially and standard materiality, reasonability and knowledge qualifiers to be added.	Secured Lenders are prepared to discuss. Please provide specific requests with respect to the paring back or qualification of particular reps and warranties.
9.	Covenants	Limited set of positive and	Scope of positive covenants greatly	Scope of covenants extremely restrictive and	Secured Lenders are prepared to discuss.

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#	Issue	Bid Draft Term Sheet	Oaktree and Noteholder Draft	BIM Comments	Secured Lender Response
		negative covenants.	expanded, including, among others, covenants to: (i) deliver information requested by the DIP Lenders, (ii) provide the DIP Lenders with drafts of all motion materials, (iii) pay all DIP Lender expenses at least every two weeks, (iv) continue operations in the ordinary course, ensure fuel is obtained, ship all products for sale and not change employee head count, (v) disclaim all contracts not within the Approved Cash Flow Forecast, (vi) establish a risk management program and provide the DIP Lenders with a right of first refusal on any hedges, (vii) take all actions to maintain all licenses and to obtain and preserve the permit to allow for transportation of 6Mt, and (viii) enter into a KERP/KEIP by June 5, 2026 in form	duplicative in a number of places. Covenants to be pared back substantially and standard materiality, reasonability and knowledge qualifiers added to avoid unnecessary Events of Default and allow BIM to operate its business. 6Mt permit is not held by the business. DIP Lenders should not have a right of first refusal on hedges. This would prevent BIM from obtaining hedges on market terms.	Please provide specific requests with respect to particular covenants. The Company should obtain hedging given volatility of certain inputs and cash flows of the business. The Secured Lenders believe that it would be prudent to have hedging policies and programs in place, and would like to discuss both capital management and permitting strategy with the Monitor. Subject to having those discussions, the Secured Lenders are willing to drop the ROFR with respect to hedging arrangements and discuss required modifications with respect to the 6 mpta permit and overall permitting strategies.

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			satisfactory to DIP Lenders. Scope of negative covenants likewise greatly expanded, including prohibitions on (i) royalty payments to shareholders, (ii) payments to Glencore, and (iii) taking any action which may impair the ability of the Obligors to utilize operating losses.		
10.	SISP	Deadline for commencement of SISP to be six months after the issuance of the Initial Order. SISP to close no later than 24 months after the commencement of the SISP.	SISP process to be in form acceptable to the DIP Lenders, must be commenced within 3 months of the Second Amended and Restated Initial Order. Final deadline for SISP is 1 year after its commencement.	BIM requires at least 2 months to design SISP process and 24 months from its initiation.	As noted above, the Secured Lenders are not willing to agree to a SISP duration longer than 12 months at this point. Any SISP must be designed to comport with the Company's anticipated liquidity and budget.
11.	Events of Default	Standard set of Events of Default	Scope of Events of Default greatly expanded, including, among others, (i) cross default with any Material	As with the added covenants, the added Events of Default are extremely onerous, duplicative and serve as another tool for the DIP	Secured Lenders are prepared to discuss. Please provide specific comments with respect to

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			Contract, or an amendment thereto, (ii) default upon failure to pay DIP Lender expenses within 2 Business Days of invoices therefor, (iii) a 10% cumulative negative variance from the DIP Budget, (iv) any order granted against BIM in excess of \$100,000, and (v) any event that materially affects the Obligors as determined by the DIP Lenders in their sole discretion. Upon an Event of Default occurring the DIP Lenders can accelerate the repayment of the DIP Facility, including the Commitment Fee. There are no general cure periods on defaults and very limited cure periods on certain specified defaults.	Lenders to control the operations of the business.	particular Events of Default.
12.	Termination	BIM is entitled to terminate in the	BIM is only entitled to terminate the Term	The effect of this change is to allow the DIP Lenders to not	There is no intention to give DIP Lenders the right

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		event the DIP Lender fails to fund or upon the full payment of the DIP Obligations.	Sheet upon the <u>indefeasible</u> payment of the DIP Obligations.	fund and preclude BIM from terminating the DIP Facility. Additionally, even after BIM repays all of the DIP Obligations, the DIP Facility (and the security granted in connection therewith) will not be terminated/released until it has been determined to have been indefeasibly repaid. Lenders have used the addition of “indefeasible” repayment to not release security for up to six months.	not to fund in accordance with the terms set forth in the Term Sheet, which we can clarify. BIM retains contractual remedies in the event that a DIP Lender breaches an obligation to fund upon applicable CPs having been met. The use of “indefeasible” is standard with respect to termination upon repayment, but to discuss.
13.	Assignment	Silent on DIP Lender assignment.	DIP Lenders entitled to assign prior to Initial Advance and are only severally liable for obligations.	This creates ability for DIP Lenders to avoid funding by assigning to parties without adequate liquidity to fund draws. It also creates the potential for a large number of DIP Lenders – creating potential material administrative impediment to approvals. A similar issue arises in respect of the various Supermajority DIP Lender approval requirements. To ensure	To revise to provide that the Borrower may assign with Required DIP Lender consent, not to be unreasonably withheld, so long as no Event of Default has occurred and is continuing. Borrower consent is subject to standard carveouts permitting assignment by DIP Lenders to affiliates, and typical back-leveraging permissions.

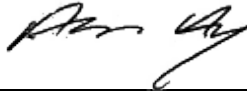
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Draft

#	Issue	Bid Draft Term Sheet	Oaktree and Noteholder Draft	BIM Comments	Secured Lender Response
				potential interim financing can be provided during potential litigation in connection with the DIP, DIP should be capable of refinance without fees for a limited duration.	Supermajority consent will not be logistically difficult to obtain; both groups are organized and sophisticated, and is also required only with respect to certain limited budget approvals related to Steensby/exploration and approval of the SISP.
14.	Steensby	Silent on Steensby.	The DIP Lenders will only approve allocations to Steensby if a binding bid in the SISP has been provided which repays in full the DIP and the obligations to the senior secured creditors in full and the bidder consents to the Steensby Expansion, in addition to other conditions.	This will preclude any payments on Steensby, including those necessary to maintain authorizations. Please confirm if this is still the Secured Lenders' position.	Please advise what spending is required with respect to maintaining authorizations between the end of the initial 13wk budget (which Secured Lenders have already agreed to) and the delivery of bids under the SISP.
15.	Operating Plan	Silent on operating plan.	BIM required to provide a business plan for approval by the Secured Lenders.	This overly restricts BIM's ability to manage its operations during the CCAA proceedings; adequate oversight is provided by the Approved Cash Flow.	The SISP must be based on an operating plan that aligns with the requested DIP sizing and anticipated liquidity for the business, and so approval of the operating plan is

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					necessary for the DIP financing. Any SISP also will require that potential bidders are presented with a business plan, and requiring that the Company provide this to the DIP Lenders (and, as with the rest of the SISP terms, that it is acceptable to them) is not overly burdensome.
16.	Syndication	Silent on syndication.	No backstop provisions included.	If loan is to be syndicated customary lender backstop provisions are required to ensure certainty of funding, including restrictions on eligible lenders, and defaulting lender provisions.	See above regarding lender assignment; subject to standard carveouts permitting assignment to affiliates and back leveraging, there is no intent to syndicate to third parties.

This is Exhibit "H" referred to in the Affidavit of Joshua Gordon, affirmed June 4, 2026. The affiant and I both were located in the City of Toronto, in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

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

From: Renner, Natalie <nrenner@dwpv.com>

Sent: Thursday, May 28, 2026 8:22 PM

To: pyang@stikeman.com; idizengoff@akingump.com; mlahaie@akingump.com; lcharleston@akingump.com; nethridge@akingump.com; Jacobs, Ryan <rjacobs@cassels.com>; Wunder, Michael <mwunder@cassels.com>; mkonyukhova@stikeman.com; lcopen@stikeman.com; Brian Bolin (bbolin@paulweiss.com) <bbolin@paulweiss.com>; jgraham@paulweiss.com

Cc: Project Canary <projectcanary@osler.com>; Greg Watson <greg.watson@fticonsulting.com>; Rosenberg, Jeffrey <jeffrey.rosenberg@fticonsulting.com>; Renner, Natalie <nrenner@dwpv.com>; Cutler, Steven <SCutler@dwpv.com>; Hyman, Scott <SHyman@dwpv.com>; Nicholls, Robert <rnicholls@dwpv.com>

Subject: Project Canary - Confidential - DIP Term Sheet - OTH AGH

CAUTION: External Email

All,

Please find attached a turn of the DIP Term Sheet, with a blackline against the version you circulated. Please return your best and final terms by no later than **Saturday, May 30, 2026 at 2:00 PM (Toronto time)**. This will be the final set of terms that will be considered by the Debtors before they identify a successful party to move forward to finalize a definitive agreement.

The Debtors remain available to address any questions you have in advance of Saturday. However, please note that the term sheet will not be subject to negotiation during any such discussions. If you would like assistance in arranging a meeting, please let us know.

Best regards,
Natalie

Natalie Renner She, Her

T 416.367.7489

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Bio | vCard

DAVIES

155 Wellington Street West

Toronto, ON M5V 3J7

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DAVIES WARD PHILLIPS & VINEBERG LLP

This email may contain confidential information which may be protected by legal privilege. If you are not the intended recipient, please immediately notify us by reply email or by telephone. Delete this email and destroy any copies.

DIP FACILITY LOAN AGREEMENT

DATED AS OF May ■, 2026

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

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

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

1. **Defined Terms:** A capitalized term not defined in the body of this Agreement has the meaning ascribed to it in the Definitions section below.
2. **Interpretation:** In this Agreement, words signifying the singular number include the plural and *vice versa*, and words signifying gender include all genders. Every use of the word "including" in this Agreement is to be construed as meaning "including, without limitation".

The division of this Agreement into Sections and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement.

References in this Agreement to Sections or Schedules are to be construed as references to a Section or Schedule of or to this Agreement unless the context requires otherwise.
3. **Currency:** Unless otherwise stated, all monetary denominations shall be in lawful currency of the United States of America.
4. **Borrowers:** Baffinland Iron Mines Corporation ("**BIM Corp**") and Baffinland Iron Mines LP ("**Baffin LP**" and, together with BIM Corp, the "**Borrowers**").
5. **Guarantors:** Nunavut Iron Ore, Inc. and 12334992 Canada Inc. (collectively, the "**Guarantors**" and collectively with the Borrowers, the "**Obligors**").
6. **DIP Lenders:** The institutions described in Schedule A (on behalf of themselves and their affiliates and managed funds) hereby commit to provide the DIP Facility, on a joint and several basis (collectively, the "**DIP Lenders**").

upon the terms and conditions set forth in this Agreement.¹ As between themselves, DIP Lenders' respective commitments are set forth adjacent to each DIP Lender's name in Schedule A.

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

An institution acceptable to the Required DIP Lenders shall act as fronting lender (the "**Fronting Lender**") pursuant to which the Fronting Lender shall fund each Advance on behalf of the DIP Lenders and subsequently assign such funded DIP Loans to the DIP Lenders pursuant to arrangements agreed by the Fronting Lender and the each of the DIP Lenders. The Fronting Lender shall be a "DIP Lender" for all purposes herein.

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

7. **DIP Facility:** The DIP Lenders agree to establish in favour of the Borrowers a debtor-in-possession delayed draw term loan facility (the "**DIP Facility**" and, the loans thereunder, the "**DIP Loans**") in the principal amount equal to **[\$300 million]** (the "**Loan Amount**").² No amount capitalized as principal hereunder shall reduce the availability of the full Loan Amount to the Borrowers.
8. **DIP Advances:** Advances under the DIP Facility in the aggregate principal amount of up to \$110 million (the "**Bridge Advances**") shall be made available to the Borrowers during the four week period beginning on the date of the Second Amended and Restated Initial Order (the "**Bridge Period**"), subject to satisfaction of the Subsequent Advance Conditions (other than the first advance under the DIP Facility (the "**Initial Advance**"), which shall be advanced to the Borrower on the date of the Second Amended and Restated Initial Order and is subject to the Initial Advance Conditions).

Notwithstanding anything else to the contrary herein, fees accruing on or levied in relation to or in respect of the Bridge Advances, and professional

¹ **Note to Draft:** It is uncompetitive for the Borrowers to seek redress against individual DIP Lenders. The DIP Lenders' obligations should be joint and several vis-à-vis the Borrowers. The DIP Lenders are free to make their own arrangements among each other.

² **Note to Draft:** Consider size of the DIP Facility Amount in connection with expected DIP Advisor Fees to be incurred during the CCAA Proceeding and to account for a KERF in the range of **[X]**, each of which are not yet accounted for in the financial model.

fees or expenses payable in connection with the Bridge Advances shall not be payable by the Obligor, and none of the Obligor shall be liable for the payment of such amounts, whether as Indebtedness or as an obligation or liability of any kind, nor shall such amounts form a part of the DIP Obligations during the Bridge Period. For greater certainty, interest shall accrue and be payable on the Bridge Advances pursuant to the terms hereof. In the event the DIP Facility is not refinanced or otherwise assigned by the DIP Lenders, the DIP Agent or the Fronting Lender during the Bridge Period, the fees that have accrued or would have otherwise been payable to the DIP Lenders, the DIP Agent or the Fronting Lender pursuant to the terms hereof and any professional fees or expenses that would have otherwise been payable hereunder by the Borrowers, in each case but for the limitations provided herein, shall be deemed to have accrued and shall be payable from the date of the Initial Advance to but excluding the last day of the Bridge Period and shall form a part of the DIP Obligations. If the Bridge Facility is so refinanced or otherwise assigned, no such fees or professional fees and expenses shall be owing or payable by any Obligor.

Subsequent advances under the DIP Facility (each, a "**Subsequent Advance**") shall be made available to the Borrowers and shall be deposited into the Borrowers' Account (defined below) every other week (or as otherwise agreed by the Borrowers and the Required DIP Lenders), with each Subsequent Advance being in an amount no less than \$20 million,³ in each case subject to the satisfaction of the Subsequent Advance Conditions (as defined below). The sum of the Initial Advance and the Subsequent Advances shall not exceed the Loan Amount. The timing and amount of each Subsequent Advance shall be determined based on the funding needs of the Borrowers as set forth in the Approved Cash Flow Forecast, and Subsequent Advances shall only be available and provided hereunder after the Borrowers have received the entirety of the Initial Advance.

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

Each Advance, on behalf of and at the request of each of the DIP Lenders, shall be provided by and funded to the DIP Agent by the Fronting Lender and subsequently assigned to the DIP Lenders pursuant to arrangements agreed by the Fronting Lender and each DIP Lender. The Fronting Lender

³ **Note to Draft:** Advances are required to be made in accordance with the Approved Cash Flow Forecast elsewhere.

shall deposit into the Borrowers' Account the amount requested by the Borrowers pursuant to the Advance Notice on the requested date of the Advance, net of all fees, costs and expenses to be paid in connection with such Advance pursuant to a funds direction to be delivered prior to the date of such Advance; provided that (x) with respect to the Initial Advance, the Initial Advance Conditions are satisfied as of such date and (y) with respect to each Advance after the Initial Advance, the applicable conditions described in this section 8 and the applicable Subsequent Advance Conditions are satisfied as of such date.

9. **Use of Proceeds:** The proceeds of the DIP Facility shall be used solely by the Borrowers in accordance with the Approved Cash Flow Forecast (subject to Permitted Variances), which shall include provision for payment, in all respects subject to and to the extent included in the Approved Cash Flow Forecast (subject to Permitted Variances), of (i) the fees of the Monitor and its counsel and counsel for the Obligors, (ii) interest, fees (including the Commitment/Funding Fee) and other amounts owing to the DIP Lenders under this Agreement, (iii) post-filing expenses payable to the DIP Lenders or to the extent constituting Permitted Advisor Payments, their advisors under the DIP Facility, and ordinary course payments for the Borrowers' working capital needs during the CCAA Proceeding, including, post-filing accounts payable in the ordinary course of the Business, Priority Payables and in respect of the pursuit of the SISP, (iv) royalty payments under each of the Royalty Agreements when due and payable under such Royalty Agreement,, (v) cash collateral required to support letters of credit issued by financial institutions, (vi) Pre-Approved Steensby Capex, and (vii) amounts payable under the Benefits Agreement.⁴ Without the prior written consent of the Required DIP Lenders, no proceeds may be used, and no expenditures shall be made, for any purpose that is not included in the Approved Cash Flow Forecast (subject to Permitted Variances).
10. **Assignment by the Borrowers:** The Borrowers shall not be permitted to assign their interests in this Agreement without the prior written consent of the Required DIP Lenders, not be unreasonably withheld.
11. **Evidence of Indebtedness:** The DIP Agent shall maintain a register evidencing Advances and repayments under the DIP Facility and all other amounts owing from time to time hereunder. The DIP Agent register constitutes, in the absence of manifest error, *prima facie* evidence of the Indebtedness of the Borrowers to the DIP Lenders pursuant to the DIP Facility.
12. **Interest; Fees** All amounts owing by the Borrowers hereunder to the DIP Lenders on account of the principal, overdue interest and expenses shall bear interest at a rate per annum equal to 1 month Term SOFR from time to time plus

⁴ **Note to Draft:** Deleted language is duplicative of lead-in language.

4.75%, payable entirely in cash on each Interest Payment Date (the "**Interest Rate**"). To the extent permitted by Law, effective upon the occurrence of and during the continuance of an Event of Default, all overdue amounts owing to the DIP Lenders hereunder by the Borrowers on account of principal, overdue interest and expenses shall bear interest at the Interest Rate plus an additional 2% per annum (the Interest Rate, as increased, the "**Default Rate**").

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

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

If the DIP Facility is not refinanced or otherwise assigned by the DIP Lenders during the Bridge Period, on the day following the Bridge Period, the Borrowers shall pay a fee (the "**Commitment/Funding Fee**") of 1.75% of the Loan Amount to the DIP Lenders on a pro rata basis, which such Commitment/Funding Fee shall be payable in kind and capitalized on the principal amount of the DIP Loans on such date.

The Commitment/Funding Fee shall constitute part of the DIP Obligations, shall be secured by the DIP Charge, and shall bear interest at the Interest Rate.

Notwithstanding anything to the contrary in this section 12, this section 12 is subject to the restrictions on interest, fees and expenses imposed under section 8 with respect to Bridge Advances.

13. **Other Costs and Expenses:** Subject to the limitations in Section 8, the Borrowers shall pay all reasonable and documented third-party out-of-pocket costs and expenses of the DIP Agent, the DIP Lenders and the Fronting Lender for all due diligence and all reasonable and documented fees, out-of-pocket expenses and disbursements of advisors (which, for the avoidance of doubt, shall include (i) Stikeman Elliott LLP, as counsel to the Senior Lenders, (ii) Paul, Weiss, Rifkind, Wharton & Garrison LLP, as special counsel to the Senior Lenders, (iii) a financial advisor to the Senior Lenders, (iv) Akin Gump Strauss Hauer & Feld LLP, as counsel to the Holder AHG, (v) Cassels Brock & Blackwell LLP, as counsel to the Holder AHG and (vi) Houlihan Lokey, as financial advisor to the Holder AHG, and notwithstanding anything to the contrary herein which reasonable and documented fees, out-of-pocket expenses and disbursements of advisors shall not exceed \$■ per month (such amounts, "**Permitted Advisor**

Payments"))⁵ in each case, incurred post-CCAA filing in connection with the preparation, negotiation and consummation of this Agreement, the administration of the DIP Facility and participation in the CCAA Proceeding, including any reasonable and documented third-party costs and out-of-pocket expenses incurred by the DIP Agent, the DIP Lenders and the Fronting Lender in connection with the enforcement of any of the rights and remedies available hereunder or under the DIP Security (such post CCAA-filing expenses, collectively, the **"DIP Lender Expenses"**). The DIP Lender Expenses shall form part of the DIP Obligations secured by the DIP Charge (as defined below). All accrued DIP Lender Expenses incurred post CCAA-filing and prior to date of the Initial Advance shall be paid in full through deduction from the Initial Advance.

14. **Approved Cash Flow Forecast:**

Attached hereto as Schedule B is a detailed cash flow projection (the **"Initial Cash Flow Forecast"**), which is in form and substance satisfactory to the Required DIP Lenders and which may include, *inter alia*, provision for payments on account of any interest and expenses which may be payable under the DIP Facility, rent and other occupancy costs, supplier payments, cash collateral required to support letters of credit issued by financial institutions, post-filing accounts payable in the ordinary course of the Business, Priority Payables, payments of amounts payable under the Royalty Agreements and the Benefits Agreement, and the costs and expenses associated with the CCAA Proceeding.

The Borrowers, with the assistance of the Monitor, shall, from time to time as required by this Agreement, present the DIP Lenders with a revised cash flow in a substantially similar form (the **"Updated Cash Flow Forecast"**). Upon the written approval of the Required DIP Lenders, the Updated Cash Flow shall thereafter be deemed to be the effective cash flow forecast (the **"Approved Cash Flow Forecast"**) for the purposes hereof. Until such time as the Required DIP Lenders approve an Updated Cash Flow Forecast, the prior Approved Cash Flow Forecast shall remain in effect.⁶ The DIP Lenders shall be under no obligation to approve any Updated Cash Flow Forecast notwithstanding any prior approval of any prior or then-current Approved Cash Flow Forecast, recognizing that if no such approval is given the then prior Approved Cash Flow Forecast shall remain in effect.⁷

The DIP Lenders agree to provide for approvals in allocations in the Approved Cash Flow Forecast to capital expenditures in connection with Pre-Approved Steensby CapEx.

In addition to Pre-Approved Steensby CapEx, the DIP Lenders agree to provide for approvals in allocations in the Approved Cash Flow Forecast

⁵ **Note to Draft:** Please provide a figure for the DIP Lender's professional advisor fees. This will affect the net proceeds available to the Borrower.

⁶ **Note to Draft:** Limiting the roll-forward to opex will starve the business intended to be operated in the ordinary course. It is not competitive.

⁷ **Note to Draft:** Deleted items are duplicative of the above.

to capital expenditures in connection with the Steensby Expansion or any additional exploration costs at such time as the Borrowers have (i) obtained one or more bona fide, binding, irrevocable bids in the SISP that provide for (A) the repayment in full in cash of the DIP Facility and the obligations under the Senior Credit Agreement and the Senior Secured Notes on or prior to the closing of such sale transaction, and (B) the consent of such bidder(s) to pursue the Steensby Railway project and related financing process (the "**Steensby Expansion**") and further exploration, with a plan for execution which is reasonably acceptable to the Required DIP Lenders; (ii) submitted to the DIP Lenders supporting plans including engineering, design and operations acceptable to the Required DIP Lenders; and (iii) liquidity which is reasonably acceptable to the Required DIP Lenders.

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

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

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

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

- (b) [reserved];⁸
- (c) [reserved];
- (d) no Default or Event of Default shall have occurred and be continuing or will occur as a result of the Initial Advance; and

⁸ **Note to Draft:** The Initial Advance will occur during the Bridge Period and so no fees, etc. should be payable.

- (e) there shall be no Encumbrances on the Collateral ranking in priority to or *pari passu* with the DIP Charge other than as expressly permitted by the terms hereof.⁹

16. **Conditions Precedent to Advances of the Loan Amount (other than the Initial Advance):**

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

- (a) the Second Amended and Restated Initial Order shall not have been stayed, amended, modified, reversed, waived, dismissed or appealed (or any such appeal shall have been dismissed with no further appeal therefrom or the applicable appeal periods shall have expired), unless otherwise agreed by the Required DIP Lenders, in their reasonable discretion;
- (b) [reserved]
- (c) the DIP Lenders shall have received an Advance Notice in accordance with the terms hereof;
- (d) subject to section 8, all reasonable and documented third-party out-of-pocket DIP Lender Expenses have been paid or will be paid from the proceeds of the requested Advance on the date of the applicable Advance;
- (e) there shall be no Encumbrances on the Collateral ranking in priority to or *pari passu* with the DIP Charge other than as expressly permitted by the terms hereof;
- (f) no Default or Event of Default shall have occurred and be continuing or will occur as a result of the requested Advance;
- (g) [reserved];¹⁰
- (h) the Borrowers are in compliance with the current Approved Cash Flow Forecast (subject to Permitted Variances) as at the date of the proposed Advance;¹¹
- (i) [reserved].¹²

17. **DIP Charge:**

All of the obligations of the Obligors under or in connection with the DIP Facility, including without limitation, all principal, interest, fees and DIP

⁹ **Note to Draft:** Deleted deliveries are overly burdensome. The key permit for the mine is the Project Certificate. There are otherwise a very large number of permits. It is not workable in context and will consume too much management time for little benefit. DIP Lenders have also not provided a compelling reason as to why the list is necessary.

¹⁰ **Note to Draft:** Breach of covenant is an EoD, so it subsumed by (f).

¹¹ **Note to Draft:** The requirement to agree an updated cash flow (vs. rolling) effectively makes this a single draw facility at the discretion of the DIP Lenders which is not acceptable.

¹² **Note to Draft:** Non-compliance with SISP Milestones is an Event of Default which is already a draw condition.

Lender Expenses (collectively, the "**DIP Obligations**"), shall be secured by a Court-ordered charge on the Collateral in favour of the DIP Agent, for the benefit of the DIP Lenders (the "**DIP Charge**").

The DIP Charge shall rank ahead of any and all Encumbrances on the Collateral other than (i) the administration charge not exceeding \$5.0 million, (ii) the directors and officers charge not exceeding \$20.4 million, and (iii) in respect of the Cash Collateral (as defined in the Amended and Restated Initial Order) (collectively, the "**Priority Charges**"), in each case unless otherwise consented by the Required DIP Lenders (acting reasonably).¹³

18. **DIP Security:** The Guarantors hereby guarantee in favour of the DIP Agent, for the benefit of the DIP Lenders, the payment and performance of the DIP Obligations of the Borrowers.¹⁴

The DIP Lenders shall be permitted to request DIP Security (in form and substance reasonably satisfactory to the Required DIP Lender) from the Obligors at any time. The DIP Security shall continue as a first priority Encumbrance on the Collateral in favour of the DIP Agent, for the benefit of the DIP Lenders, subject to subordination only in respect of the Priority Charges and Priority Payables. For greater certainty, the delivery of DIP Security shall not be a condition precedent to the Initial Advance or any other advances of the Loan Amount as set out in sections 15 and 16.

19. **[Reserved]:**¹⁵

20. **Borrowers' Account:** Advances shall be deposited into a bank account to be designated by the Borrowers (the "**Borrowers' Account**") and utilized by the Borrowers in accordance with the terms of this Agreement. At the request of the DIP Lenders, the Borrowers shall put in place a blocked account agreement in favour of the DIP Agent (for the benefit of the DIP Lenders) thereon on such terms as are acceptable to the Required DIP Lenders, in their discretion. Any such blocked account agreement shall not impose a payment block absent the occurrence of an Event of Default that is continuing.

21. **Repayment and Maturity Date:** All DIP Obligations shall be due and payable on the earliest of the occurrence of any of the following:
- (a) conversion of the CCAA Proceeding into a proceeding under the *Bankruptcy and Insolvency Act* (Canada);
 - (b) the date which is fifteen (15) days after a demand for payment is made by the DIP Agent (at the request of the Required DIP

¹³ **Note to Draft:** Deletion covered by negative covenants.

¹⁴ **Note to Draft:** Detailed guarantee provisions are unnecessary in the context of a court approved DIP.

¹⁵ **Note to Draft:** Hedging and ranking of related security to be discussed post-DIP.

Lenders) following the occurrence of any Event of Default that is continuing as of such date;

- (c) the closing of a Restructuring Transaction or combination of Restructuring Transactions; or
- (d) the date that is eighteen (18) months after the granting of the Second Amended and Restated Initial Order, subject to the extensions set forth below (the "**Stated Maturity Date**")

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

The Stated Maturity Date may be extended one time by the Borrowers for up to six (6) months, provided that (i) the Borrowers deliver a written extension request to the DIP Agent not less than ten (10) days prior to the then applicable Stated Maturity Date, (ii) no Default or Event of Default exists on the then applicable Stated Maturity Date, (iii) the Borrowers shall have paid an extension fee on the date of each such extension equal to one percent (1%) of the DIP Loans outstanding at such time, payable in-kind on the date of such extension to the DIP Agent on behalf of the DIP Lenders on a pro rata basis and capitalized on the principal amount of the DIP Loans as of such date and (iv) the Borrowers shall have provided to the DIP Agent and the DIP Lenders an Updated Cash Flow Forecast which shall be in form and substance satisfactory to the Required DIP Lenders acting reasonably, through and including the date to which the Stated Maturity Date is extended.

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

22. **Payments:**

All payments of principal, interest and expenses hereunder, if applicable, shall be made for value in the full amount due at or before 12:00 noon on the day such amount is due by deposit or transfer thereof to the DIP Agent or as the DIP Lenders may direct. Payments received after such time shall be deemed to have been made on the next following Business Day. If any payment is due on a day which is not a Business Day, such payment shall be due on the next following Business Day and interest shall accrue until but excluding the actual date of payment. Each payment to be made by the Borrowers under this Agreement shall be made in full without deduction, set-off or counterclaim of any kind or for any reason. If any expenses incurred by the Borrowers after the date of this Agreement are not paid by the Borrowers, the DIP Agent may, but shall have no duty to do so, pay all such expenses whereupon such amounts shall be added to and form part of the DIP Obligations and shall reduce the availability under the DIP Facility. Unless otherwise consented to in writing by the Required DIP Lenders, the net cash proceeds of any sale, realization or disposition of, or with respect to, any of the Collateral (including obsolete, excess or worn-out Collateral) out of the ordinary course of business (for greater

certainty, net of transaction fees and applicable taxes in respect thereof), or any insurance proceeds (net of expenses incurred by the applicable Obligor in connection therewith, including transaction fees and applicable taxes in respect thereof) (each "**Net Proceeds**") paid to the Borrowers or Guarantors in respect of Collateral, shall be paid to the DIP Agent (for the benefit of the DIP Lenders) and applied to reduce the DIP Obligations and permanently reduce and cancel an equivalent portion of the Facility Amount in an amount equal to the Net Proceeds of such sale, realization, disposition or insurance; provided that, in lieu of such prepayment, the applicable Obligor shall be permitted to apply such Net Proceeds within 180 days after the receipt thereof by such Obligor to, or to contract to, repair or replace the affected Collateral, subject to such Obligor's written notice thereof to the DIP Lender promptly following the sale, realization, disposition or casualty event in respect of insurance proceeds. Any such amount repaid may not be reborrowed.

23. **Indemnity:** Subject to section 8, the Obligors agree to indemnify and hold harmless the DIP Agent, the DIP Lenders, the Fronting Lender and their respective Affiliates, partners and officers, directors, employees, representatives, advisors, solicitors and agents (collectively, the "**Indemnified Persons**") from and against any and all actions, lawsuits, proceedings (including any investigations or inquiries), claims, losses, damages, liabilities or reasonable and documented third-party expenses of any kind or nature whatsoever which may be incurred by any of the Indemnified Persons (collectively, the "**Claims**") as a result of, in connection with or in any way related to the DIP Facility, the priority of the DIP Charge, the proposed or actual use of the proceeds of the DIP Facility or this Agreement; provided, however, that the Obligors shall not be obligated to indemnify pursuant to this paragraph any Indemnified Person against any Claim (a) to the extent it resulted from the gross negligence, wilful misconduct, bad faith or breach of agreement of any Indemnified Person as finally determined by a court of competent jurisdiction, (b) to the extent arising from any dispute solely among Indemnified Persons other than any Claims arising out of any act or omission on the part of the Obligors, or (c) arising from any appeal, motion to stay, vary, amend, or other proceeding brought by any party challenging the Second Amended and Restated Initial Order, to the extent such challenge relates to the DIP Facility, and only if the Bridge Facility is refinanced or otherwise assigned during the Bridge Period. The Obligors shall not be responsible or liable to any Indemnified Person or any other person for consequential or punitive damages. Notwithstanding anything to the contrary herein, the indemnities granted under this Agreement shall survive any termination of the DIP Facility.
24. **Representations and Warranties:** Each Obligor represents and warrants to the DIP Agent and DIP Lenders, upon which the DIP Agent and each of the DIP Lenders has relied in entering into this Agreement that:
- (a) such Obligor is validly formed and existing under the laws of its jurisdiction of incorporation or formation;

- (b) such Obligor has the power and capacity, to own or lease and operate its property, to carry on its business as now conducted and as proposed to be conducted;¹⁶
- (c) [reserved];¹⁷
- (d) this Agreement and the transactions contemplated by this Agreement:
 - (i) are within the powers of such Obligor and, subject to the granting of the Second Amended and Restated Initial Order constitute legal, valid and binding obligations of such Obligor, enforceable against it in accordance with the terms hereof;
 - (ii) have been duly authorized, executed and delivered by or on behalf of such Obligor; and
 - (iii) subject to the granting of the Second Amended and Restated Initial Order, as applicable, do not and will not conflict with, contravene, violate or result in a breach of: (A) any of the terms or provisions of such Obligor's constating documents or by-laws, (B) any Material Contracts to which such Obligor is a party or pursuant to which any of its assets or property may be affected or (c) any applicable Law;
- (e) the Business of such Obligor has been and will continue to be conducted in material compliance with all applicable Laws (including environmental laws) of each jurisdiction in which the Business has been or is being carried on subject to the provisions of the CCAA and any Court order made after the date of the Initial Order;
- (f) [reserved];¹⁸
- (g) such Obligor owns, leases or has the lawful right to use all of the material properties and undertaking necessary for the conduct of the business of such Obligor;
- (h) such Obligor has obtained any material Authorizations for the operation of the Business, which Authorizations remain, and after entering into the DIP Facility will remain, in full force and effect. No proceedings have been commenced to revoke or amend any such Authorizations;
- (i) such Obligor does not have any defined benefit pension plans or similar plans and is in material compliance with all applicable Law respecting its employees' employment and all collective bargaining agreements to which it is a party or otherwise bound;

¹⁶ **Note to Draft:** Deleted text covered by (d).

¹⁷ **Note to Draft:** Deleted text covered by (d).

¹⁸ **Note to Draft:** Otherwise covered.

- (j) such Obligor is current on its post-filing payment obligations for rent and other occupancy costs and expenses in respect of any premises that it leases;
- (k) all of such Obligor's obligations (including fiduciary, funding, investment and administrative obligations, if any) required to be performed in connection with such Obligor's employee benefit plans have been performed on a timely basis;
- (l) such Obligor has filed all Tax returns which were required to be filed and paid all Taxes (including interest and penalties) which are due and payable, except as disclosed to the DIP Lenders prior to the date hereof¹⁹ or for charges, fees or dues which are not material in amount or which are not delinquent or if delinquent are being contested in good faith by appropriate proceedings;
- (m) such Obligor and each of its subsidiaries has good and valid title to, or legally binding property right in, or valid leasehold interests in, all material real property necessary or used in the ordinary conduct of its business, in each case free and clear of all Encumbrances other than those Encumbrances permitted by section 4.10 of the Indenture and "Permitted Liens" under the Indenture (as same exists on the date of this Agreement) and except for minor defects in title as would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the operations, financial condition of the Obligors taken as a whole;
- (n) all information provided by or on behalf of such Obligor to the DIP Lenders for the purposes of or in connection with this Agreement or any transaction contemplated herein is, true and accurate in all material respects on the date as of which such information was provided, not incomplete and does not omit to state any fact necessary to make such information (taken as a whole) not materially misleading at such time, in light of the circumstances under which such information was provided;
- (o) [reserved];
- (p) each Obligor maintains adequate insurance coverage, as is customary with companies in the same or similar business of such type, in such amounts and against such risks as is prudent for a business of its nature with financially sound and reputable insurers and that contain reasonable coverage and scope;
- (q) except for those defaults which are stayed by the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order or as disclosed to the DIP Lenders in writing, all Material Contracts are in full force and effect in accordance with their terms, subject to the stay of proceedings granted by the Court in the CCAA Proceedings;

¹⁹ **Note to Draft:** Covers amounts potentially owed pursuant to Greenhouse Gas Pollution Pricing Act.

- (r) except as disclosed to the DIP Lenders in writing, there are no agreements of any kind (i) between the Obligor and any other third party or any holder of debt or Equity Securities of the Obligor with respect to any Restructuring Transaction, which remain in force and effect as of the date hereof, or (ii) between the Borrowers and any related party;
- (s) other than potential proceedings in connection with the Second Amended and Restated Initial Order to be sought by the Borrower, or this DIP Facility, or as stayed pursuant to the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order, there is not now pending or, to the knowledge of any of the senior officers of the Obligor, threatened against the Obligor, nor has any Obligor received notice in respect of, any claim, potential claim, litigation, action, suit, arbitration or other proceeding by or before any court, tribunal, governmental entity or regulatory body, in each case that would reasonably be expected to be material and adverse to the Obligor, taken as a whole;
- (t) each Obligor has maintained and paid current its obligations, as applicable, for payroll, source deductions, harmonized, goods and services and retail sales tax, and is not in arrears of its statutory obligations to pay or remit any amount in respect of these obligations;
- (u) [reserved];²⁰
- (v) [reserved];²¹
- (w) [reserved]²²; and
- (x) [reserved].

25. **Affirmative Covenants:**

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

- (a) submit to the Court the Second Amended and Restated Initial Order, and any other Court orders which are being sought by the Obligor in a form confirmed in advance to be satisfactory to the Required DIP Lenders (acting reasonably) subject to any amendments that are required by the Court or the Obligor that are acceptable to the Required DIP Lenders (acting reasonably);

²⁰ **Note to Draft:** Covered by reps above.

²¹ **Note to Draft:** Too broad.

²² **Note to Draft:** Subsumed by (n).

- (b) comply with the provisions of all Court orders made in the CCAA Proceeding, including the Initial Order, Amended and Restated Initial Order and the Second Amended and Restated Initial Order;
- (c) use commercially reasonable efforts²³ to allow each of the DIP Agent, DIP Lenders and their respective employees, agents, advisors and representatives access to all Collateral, information and documentation of the Obligors, to visit, inspect and conduct examinations of any of such Collateral, information and documentation (including any books and records) and discuss its business operations, properties and financial and other conditions with its officers, employees and independent public accountants, in each case, as may be reasonably requested by the DIP Agent or Required DIP Lenders, during normal business hours, in each case subject to applicable privacy laws and solicitor-client privilege; provided that visits to Nunavut shall be subject to such limitations as the Borrowers may from time to time determine, including due to cost, interference with operations, sealift, shipping season and the SISP;
- (d) [reserved];²⁴
- (e) preserve, renew, maintain and keep in full force its corporate existence and its material Authorizations required in respect of the Business or any of the Collateral;
- (f) keep the DIP Lenders apprised on a timely basis of all material developments with respect to the Business and affairs of the Obligors;
- (g) conduct the Business and preserve, protect and maintain the Collateral in the ordinary course of Business;
- (h) operate and maintain its respective properties and businesses in all material respects in accordance with industry practice and in all material respects in accordance with applicable Law and all Court orders made in the CCAA Proceeding, including the Initial Order, Amended and Restated Initial Order and the Second Amended and Restated Initial Order;
- (i) [reserved];²⁵
- (j) except to the extent otherwise agreed by the Required DIP Lenders (acting reasonably), pay all applicable Priority Payables and all other amounts necessary to preserve the Collateral to avoid any Encumbrance thereon and to carry on the business of each Obligor in the ordinary course;

²³ **Note to Draft:** Given the location of the mine in Nunavut, some qualifier is required.

²⁴ **Note to Draft:** subsumed by (f).

²⁵ **Note to Draft:** Covered by insurance covenant below.

- (k) promptly notify the DIP Lenders of the occurrence of any Default or Event of Default;
- (l) comply in all material respects with all applicable Laws, rules and regulations applicable to its business, including environmental laws;
- (m) [reserved]²⁶
- (n) use the proceeds of the DIP Facility in a manner consistent with the restrictions set out herein and in all cases in accordance with the Approved Cash Flow Forecast (subject to Permitted Variances);
- (o) [reserved];²⁷
- (p) [reserved]²⁸
- (q) [reserved];²⁹
- (r) on or prior to 5:00 p.m. (Toronto time) on the Monday of every fourth calendar week beginning after the date of this Agreement (each, a "**Testing Period**"), the Obligors shall have delivered to the DIP Agent and DIP Lenders (x) an Updated Cash Flow Forecast and (y) a Variance Report;³⁰
- (s) [reserved];
- (t) [reserved];
- (u) at all times maintain adequate insurance coverage of such kind and in such amounts and against such risks as is customary for the business of the Obligors with financially sound and reputable insurers in coverage and scope acceptable to the Required DIP Lenders, acting reasonably, and, if requested by the Required DIP Lenders, cause the DIP Agent to be listed as a loss payee or additional insured (as applicable) on such insurance policies and notify the DIP Lenders of any claims or losses exceeding \$2,000,000. The Approved Cash Flow Forecast shall permit funding sufficient to pay the premiums in respect of such insurance;
- (v) provide the DIP Agent and the DIP Lenders (by email to their counsel being sufficient) with draft copies of, and the opportunity to review all motions, applications, proposed Court orders and other materials or documents that the Obligors intend to file in the CCAA Proceeding prior to such filing or, as soon as possible on or prior to the date on which such motion, application, proposed

²⁶ **Note to Draft:** Subsumed by (c).

²⁷ **Note to Draft:** Covered by EODs.

²⁸ **Note to Draft:** The Borrower cannot authorize the Monitor – it is an independent court officer.

²⁹ **Note to Draft:** Covered by EODs.

³⁰ **Note to Draft:** Deleted language does not permit the approve cash flow to roll.

Court Order or other material or document is served on the service list in respect of the CCAA Proceeding;

- (w) promptly provide notice to the DIP Agent, the DIP Lenders and their counsel, and keep them otherwise apprised, of any material developments in respect of any Material Contract, and of any material notices, orders, decisions, letters, or other documents, materials, information or correspondence received from any regulatory authority having jurisdiction over any Obligor, in each case which would have a material adverse effect on the Obligors' ability to perform under this Agreement and subject to any disclosure restrictions at Law or contained in any Court order or that, in the opinion of the Obligors (in consultation with the Monitor), each acting reasonably, are necessary to protect the Borrowers' restructuring process;
- (x) [reserved];³¹
- (y) take all commercially reasonable actions necessary or available to defend any Court orders in the CCAA Proceedings from any appeal, reversal, modifications, amendment, stay or vacating not expressly consented to in writing in advance by the Required DIP Lenders, to the extent relating to the DIP Facility or the DIP Charge;
- (z) continue business operations in all material respects in the ordinary course ensuring full utilization of the shipping window, including (i) ensuring fuel and other necessary products for operations are secured for continued operations and (ii) shipping out all ready-to-ship product for sale; and the Borrowers will not materially change employee head count or staffing requirements except as may be needed to optimize cost structure and operations subject to the Approved Cash Flow Forecast and the prior written consent of the Required DIP Lenders;
- (aa) maintain all material licences and permits required for the operation of the Business in the ordinary course during the term of the DIP Facility in full force and effect; use commercially reasonable efforts to defend each against revocation or amendment thereof that would reasonably be expected to be material and adverse to the rights and remedies of the DIP Lenders pursuant to the terms hereof;³²
- (bb) [reserved];³³
- (cc) [reserved];³⁴

³¹ **Note to Draft:** Subsumed in (c).

³² **Note to Draft:** Borrower does not have a 6 mtpa permit.

³³ **Note to Draft:** Subsumed in (g).

³⁴ **Note to Draft:** Management, in consultation with the Monitor, will decide as to which contracts are disclaimed.

- (dd) [reserved];³⁵
- (ee) [reserved];
- (ff) [reserved];
- (gg) [reserved]³⁶; and
- (hh) subject to Section 8, promptly pay all DIP Lender Expenses to the DIP Lender no less frequently than every two weeks, provided that the DIP Lenders shall use commercially reasonable efforts to provide reasonable estimates of such expenses for purposes of the Approved Cash Flow Forecast.

26. **Negative Covenants:**

Each Obligor covenants and agrees not to do the following, other than with the prior written consent of the Required DIP Lenders from and after the date hereof:

- (a) make any payment of principal or interest in respect of Indebtedness or declare or pay any dividends or make any other distribution, in each case, except as provided for in the Approved Cash Flow Forecast (subject to Permitted Variances);
- (b) except as set forth in any Court order that is acceptable to the Required DIP Lenders (acting reasonably) or any equipment lease or financing lease obligations covered by an Approved Cash Flow Forecast, incur any Indebtedness (including, without limitation, any capital lease obligation, equipment lease or financing lease obligation), subject to Permitted Variances;
- (c) [reserved];³⁷
- (d) except for the Priority Charges, the DIP Charge, and any Encumbrance existing prior to the date hereof and ranking subordinate to the DIP Charge, or as set forth in any Court order that is acceptable to the Required DIP Lenders (acting reasonably), create or permit to exist any Encumbrances on any of its properties or assets other than the Permitted Liens;³⁸
- (e) make any payments or use any monies (including, without limitation, proceeds of the DIP Facility) outside of the ordinary course of Business, unless provided for in the Approved Cash Flow Forecast (subject to Permitted Variances);
- (f) make any investments in or loans to or guarantee the Indebtedness or obligations of any other Person, entity or assets, except as expressly provided for in the Approved Cash Flow Forecast (subject to Permitted Variances);

³⁵ **Note to Draft:** What does “in pursuit of the CCAA Proceeding” mean?

³⁶ **Note to Draft:** Information requests covered elsewhere.

³⁷ **Note to Draft:** Covered by below.

³⁸ **Note to Draft:** The Company will be seeking KERP charges, but the amounts are still being determined.

- (g) except between Obligor, enter into any transaction with any affiliate or any of its or its affiliates' respective direct or indirect equity holders, senior officers, directors, managers or employees, except in the ordinary course of business for a bona fide business purpose and not for any other purpose, except as expressly provided for herein or in the Approved Cash Flow Forecast;³⁹
- (h) [reserved];⁴⁰
- (i) [reserved];⁴¹
- (j) make any type of payment, or otherwise satisfy any claim, purported claim, liability, or other obligation, including without limitation of any pre-CCAA filing claim, that is not expressly provided for by the Approved Cash Flow Forecast (subject to Permitted Variances);
- (k) change its jurisdiction of incorporation or registered office;
- (l) change its name, fiscal year end or accounting policies or amend its organizational documents;
- (m) cease to carry on the Business as currently being conducted or materially change its operations or business practices;
- (n) sell, assign, lease, convey or otherwise dispose of or transfer any material property, assets or undertakings, except for iron ore product or disposition of obsolete, redundant or ancillary assets obsolete, redundant, worn out or ancillary assets or as may be approved by the Court;
- (o) except as otherwise contemplated in any Court order, as contemplated by the Approved Cash Flow Forecast or as contemplated hereby, establish or make any retention or bonus payments, increase compensation or severance entitlements or other benefits payable to directors, senior officers or senior management, or pay any bonuses whatsoever;
- (p) enter into any settlement agreement or agree to any settlement arrangements with any regulatory authority or in connection with any material litigation, arbitration, other investigations, proceedings or disputes or other similar proceedings which are threatened or pending against the Obligor;
- (q) enter into any amalgamation, reorganization, liquidation, dissolution, winding-up, merger or other similar transaction or series of transactions, allow any change of control to occur, or create or acquire any new subsidiary or become a general partner in any partnership that does not provide for the full repayment of the obligations under the DIP Facility;

³⁹ **Note to Draft:** As previously drafted, it conflicted with KERP, KEIP, etc.

⁴⁰ **Note to Draft:** Covered above.

⁴¹ **Note to Draft:** Royalties included in cash flow.

- (r) amend, supplement, revoke, terminate or discharge or seek to amend, supplement, revoke, terminate or discharge, the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order, except to amend and restate the Amended and Restated Initial Order as may be permitted by this Agreement;
- (s) apply for or consent to, any Court order, or amendment or modification to an existing Court order which adversely affects or would reasonably be expected to adversely affect the DIP Agent or the DIP Lenders hereunder;
- (t) file or support the confirmation of any plan of arrangement or liquidation, in each case, that treats the DIP Obligations as "affected" without the consent of the Required DIP Lenders;
- (u) [reserved];⁴²
- (v) [reserved];
- (w) [reserved];
- (x) [reserved];
- (y) seek, obtain, support, make or permit to be made any Court order or any change, amendment or modification to any Court order that would reasonably be expected to materially affect the rights or protections of the DIP Agent or the DIP Lenders under or in connection with the DIP Facility or the DIP Charge, except with the prior written consent of the Required DIP Lenders, in their sole discretion;
- (z) seek or consent to the lifting of the stay of proceedings in the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order, as applicable, in favour of the Borrowers, or seek or consent to the appointment of a receiver or trustee in bankruptcy or any similar official in any jurisdiction;
- (aa) [reserved];
- (bb) [reserved];⁴³ or
- (cc) [reserved].⁴⁴

27. **Sales and Investment Solicitation Process; Expansion:** Unless otherwise agreed by the Required DIP Lenders, the Borrowers and the DIP Lenders agree that the Borrowers (in consultation with the Monitor and the DIP Lenders) shall pursue a sales and investment solicitation process (the "**SISP**") approved pursuant to a Court order in respect of

⁴² **Note to Draft:** Covenant too broad.

⁴³ **Note to Draft:** Limits on Indebtedness are already imposed elsewhere.

⁴⁴ **Note to Draft:** There are already covenants that require payments to be made only in accordance with the approved cash flow

potential Restructuring Transactions and any such SISP shall include the following milestones (collectively, the "**SISP Milestones**"):

- (a) the deadline for the commencement of the SISP will be no later than 3 months after the issuance of the Second Amended and Restated Initial Order;
- (b) the deadline for the receipt of first round bids in connection with the SISP will be no later than 6 months after the issuance of the Second Amended and Restated Initial Order;
- (c) the Borrowers shall complete all site visits for bidders prior to October 31, 2026; and
- (d) the final deadline for the closing of a transaction resulting from the SISP will be no later than 18 months after the commencement of the SISP,

provided that the Borrowers may extend each of the foregoing dates in accordance with the Court order approving the SISP.

28. **Events of Default:**

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

- (a) any Court order is issued, dismissed, stayed, reversed, vacated, amended or restated and such issuance, dismissal, stay, reversal, vacating, amendment or restatement which (i) stays, reverses, vacates or otherwise modifies this Agreement or (ii) adversely affects or would reasonably be expected to adversely affect the enforceability of any material term of this Agreement or the DIP Charge, unless the DIP Agent or Required DIP Lenders, as applicable, have given their prior written consent thereto, including the issuance of a Court order:
 - (i) appointing a receiver and manager, receiver, interim receiver or similar official in respect of an Obligor;
 - (ii) terminating, lifting or amending the stay imposed within the CCAA Proceeding in a manner which, in the opinion of the Required DIP Lenders, acting reasonably, is materially prejudicial to the DIP Lenders;
 - (iii) granting any other claim or Encumbrance of equal or priority status to that of the DIP Charge, other than the Priority Charges or the Priority Payables; or
 - (iv) prejudicially affecting the DIP Agent, DIP Lenders or the Collateral;
- (b) failure of an Obligor to diligently oppose any party that brings an application or motion for any of the relief set out in subsection 28(a) above and/or the failure to secure the dismissal of such motion or application within 30 days from the date that such application or motion is brought (provided no affirmative Court order is issued on such motion or application during such period);

- (c) the CCAA Proceeding is terminated or converted to bankruptcy proceedings;
- (d) failure of the Borrowers to pay (i) principal, interest or other amounts arising hereunder when due pursuant to this Agreement, or (ii) any reasonable and documented DIP Lender Expenses payable to the DIP Agent, the DIP Lenders or the Fronting Lender within five (5) Business Days of being invoiced therefor, provided that such invoices are delivered no more frequently than every two weeks, and such failure, in the case of each of items (i) and (ii), remains unremedied for more than two (2) Business Days;
- (e) [reserved];
- (f) any representation or warranty made or given hereunder by any Obligor shall be incorrect or misleading in any material respect when made;
- (g) any material violation or breach of any court order by an Obligor;
- (h) material failure of an Obligor to (x) perform or comply with any term or covenant of this Agreement and such failure shall continue for more than five (5) Business Days after the earlier to occur of (i) any one or more of the Obligors having knowledge of such Event of Default or (ii) written notice of such Event of Default from the DIP Agent to the Borrowers, in either case, at the direction of the Required DIP Lenders to the Borrowers or (y) achieve the SISP milestones in accordance with section 27;
- (i) any proceeding, motion or application is commenced or filed by the Obligors, or if commenced by another party, is supported or otherwise consented to by the Obligors, seeking the invalidation, subordination or other challenging of the terms of the DIP Facility, the DIP Charge, or this Agreement;
- (j) [reserved];⁴⁵
- (k) any plan is filed or sanctioned by the Court in a form and in substance that is not acceptable to the Required DIP Lenders if such plan does not either provide for the repayment of the obligations under the DIP Facility in full by the Maturity Date, or designate the DIP Lenders as unaffected by such plan;
- (l) any Obligor shall file a motion seeking, or take any action supporting a motion seeking, or the Court shall issue, an order, authorizing the sale or liquidation of its assets unless, in each case, either (i) the Required DIP Lenders consent to the filing of such motion, (ii) it relates to the SISP, or (ii) the Court order approving such sale or liquidation contemplates payment in full in cash of all the DIP Obligations;

⁴⁵

Note to Draft: Subsumed by (h).

- (m) [reserved];⁴⁶
- (n) [reserved];
- (o) any change of control of any one or more of the Obligors that does not provide for the full repayment of the obligations under the DIP Facility, without the consent of the Required DIP Lenders;
- (p) any Authorization issued to any Obligor is terminated, revoked, or suspended and such termination, revocation, or suspension has or would reasonably be expected to have a material adverse effect on the operations and/or financial condition of the Obligors taken as a whole;
- (q) [reserved];⁴⁷
- (r) [reserved];
- (s) [reserved];⁴⁸
- (t) any Obligor seeks, or consents to, any amendment of the SISF without the prior written consent of the DIP Agent at the direction of the Required DIP Lenders;
- (u) the expiry without further extension of the stay of proceedings in the CCAA Proceeding;
- (v) [reserved];
- (w) [reserved];
- (x) [reserved];⁴⁹
- (y) [reserved];
- (z) [reserved];
- (aa) [reserved];
- (bb) (i) a Variance Report or Updated Cash Flow Forecast is not delivered within five (5) Business Days of the day on which such Variance Report or Updated Cash Flow Forecast is required to be delivered pursuant to this Agreement, or (ii) there shall exist a cumulative negative variance in excess of the Permitted Variance for the period from the date of the Initial Order to the last day of the applicable testing period, measured relative to the Approved Cash Flow Forecast then in effect.
- (cc) [reserved];

⁴⁶ **Note to Draft:** The following are subjective and hair triggered.

⁴⁷ **Note to Draft:** Deleted language covered by (h).

⁴⁸ **Note to Draft:** This would prevent borrowers from affording themselves protection against a defaulting or breaching lender.

⁴⁹ **Note to Draft:** These are too broad and hair trigger, and some are already covered (e.g., a through a covenant not to incur Indebtedness). They will not permit the Borrowers to operate the business in the ordinary course in a debtor-in-possession context.

provided that, except for (a), where no cure period is provided in the foregoing, it shall not be an Event of Default until fifteen (15) days have elapsed since the Borrowers have received written notice from the DIP Agent of the occurrence of the putative Event of Default.

29. **Remedies:**

Upon the occurrence and continuance of an Event of Default, the DIP Agent (acting at the direction of the Required DIP Lenders) or the Required DIP Lenders may elect on prior written notice to the Borrowers and the Monitor to:

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

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

30. **Taxes:**

All payments by an Obligor under this Agreement, including any payments required to be made from and after the exercise of any remedies available to the DIP Agent and/or the DIP Lenders upon the occurrence and continuance of an Event of Default, shall be made free and clear of, without reduction for or on account of, any present or future Taxes; provided, however, that if any Taxes are required by applicable Law to be withheld ("**Withholding Taxes**") from any amount payable to the DIP

Lenders under this Agreement, the amounts so payable to the DIP Lenders shall be increased to the extent necessary to yield to the DIP Lenders on a net basis after payment of all Withholding Taxes, the amount payable hereunder at the rate or in the amount specified hereunder and the Obligors shall provide evidence satisfactory to the Required DIP Lenders that the Taxes have been so withheld and remitted.

If the Borrowers pay an additional amount to the DIP Lenders to account for any Withholding Taxes, the DIP Lenders shall reasonably cooperate with the Borrowers to obtain a refund of the amounts so withheld, including filing income tax returns in applicable jurisdictions, claiming a refund of such Withholding Tax and providing evidence of entitlement to the benefits of any applicable tax treaty. The amount of any refund so received, and interest paid by the tax authority with respect to any refund, shall be paid over by the DIP Lenders to the Borrowers promptly. If reasonably requested by the Borrowers, the DIP Lenders shall apply to the relevant taxing authority to obtain a waiver from such withholding requirement, and the DIP Lenders shall cooperate with the Borrowers and assist the Borrowers to minimize the amount of Withholding Tax required, in each case at the Borrowers' sole expense.

31.	Termination by Borrowers	The Borrowers shall be entitled to terminate this Agreement upon notice to the DIP Lenders: (a) in the event that the DIP Lenders have failed to fund any Advance in full when required to do so under this Agreement or (b) any time following the payment in full ⁵⁰ in immediately available funds of all of the outstanding DIP Obligations. Effective immediately upon such termination, all obligations of the Borrowers and the DIP Lenders under this Agreement shall cease, except for those obligations that explicitly survive termination. For greater certainty, all outstanding DIP Obligations in respect of all Advances funded prior to such termination shall become immediately due and payable concurrently with such termination and the DIP Lenders shall not be required to make any further extensions of credit under this Agreement.
32.	Further Assurances:	The Obligors shall, at their own expense, from time to time do, execute and deliver or will cause to be done, executed and delivered, all such further acts, documents (including, without limitation, certificates, declarations, affidavits, reports and opinions) as the Required DIP Lenders may reasonably request for the purpose of giving effect to this Agreement.
33.	Entire Agreement:	This Agreement constitutes the entire agreement between the parties related to the subject matter hereof. To the extent there is any inconsistency between this Agreement and any other documents entered into in connection herewith, this Agreement shall prevail.

⁵⁰ **Note to Draft:** The Borrowers must be released upon "full payment" of the obligations – not indefeasible payment.

34. **Amendments and Waivers:**

No waiver or delay on the part of the DIP Lenders in exercising any right or privilege hereunder will operate as a waiver hereof or thereof unless made in writing and delivered in accordance with the terms of this Agreement.

All consents, waivers or amendments to or in connection with this Agreement and the DIP Facility and the transactions contemplated hereby or thereby must be in writing and if approved in writing by the DIP Agent at the direction of the Required DIP Lenders shall be binding on all of the DIP Lenders including those Lenders which did not execute any such consent, waiver or amendment; and any matters, documents or other things required to be acceptable or satisfactory to the DIP Lenders are and shall be deemed to be acceptable and satisfactory to all the DIP Lenders if acceptable or satisfactory to the DIP Agent at the direction of the Required DIP Lenders; provided that and for certainty, no consent, waiver or amendment shall be binding on the DIP Lenders unless each of the DIP Lenders executes a consent, waiver or amendment for any of the following matters: (a) increase the amount of any Lender's DIP Facility commitment amount; (b) reduce the principal amount owing by the Borrowers or the rate of interest or any other fees applicable to amounts owing or to become owing hereunder or under the other documents in connection herewith; (c) change the pro rata commitments of any of the DIP Lenders in connection with the DIP Facility; (d) amend this section 34, the definition of "Required DIP Lenders", the definition of "Supermajority DIP Lenders" or any provision providing for consent or other action by all or any specific percentage or portion of the DIP Lenders; (e) discharge any Obligor from its payment obligations under hereunder or under any other document in connection herewith or release any DIP Security except as may be expressly provided for in this Agreement; or (f) amend the terms and conditions of the application of proceeds of any repayments or the sharing of payments; provided further that any consent, amendment, waiver or other modification with respect to this Agreement that would adversely and disproportionately modify the rights of any DIP Lender (in its capacity as such) under the DIP Facility compared to other DIP Lenders shall require the prior written consent of each such affected DIP Lender. Notwithstanding anything to the contrary contained herein, any consent, amendment, waiver or other modification that subordinates, or has the direct or indirect effect of subordinating, (x) any DIP Obligations in right of payment to any other Indebtedness for borrowed money or (y) any Encumbrances securing the DIP Obligations to any Encumbrances securing any other Indebtedness for borrowed money, in each case, shall require the prior written consent of the Supermajority DIP Lenders.

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

35. **Severability:**

Any provision in this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of

such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

36. **No Third Party Beneficiary:** No Person, other than the Obligors and the DIP Lenders are entitled to rely upon this Agreement and the parties expressly agree that this Agreement does not confer rights upon any party not a signatory hereto.
37. **Counterparts and Facsimile Signatures:** This Agreement may be executed in any number of counterparts delivered by e-mail, including in PDF format, each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same instrument. Any party may execute this Agreement by signing any counterpart of it.
38. **Assignment:** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. Upon the Borrowers' acceptance of this Agreement, this Agreement shall be amended and restated to include provisions pursuant to which DIP Lenders may assign DIP Loans and/or sell participations in DIP Loans, in each case subject to Borrower' consent, not to be unreasonably withheld provided that no Event of Default has occurred and is then continuing.
39. **Notices:** Any notice, request or other communication hereunder to any of the parties shall be in writing and be well and sufficiently given if delivered personally or sent by electronic mail to the attention of the Person as set forth below:

in the case of a notice to the Obligors at:

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

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

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

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

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

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

■

Attention: ■
Email: ■

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

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

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

and

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

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

and

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

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

and

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

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

In either case, with a copy to the Monitor:

FTI Consulting Canada Inc.

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

With a copy to, which shall not constitute notice:

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

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

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

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

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

"Benefits Agreement" means the impact benefits agreement between BIM Corp. and the Qikiqtani Inuit Association dated September 6, 2013, as amended on October 22, 2018, and as may be further amended, supplemented or amended and restated from time to time;

"Borrowers" has the meaning given to that term in the recitals;

"Borrowers' Account" has the meaning given to that term in section 20;

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

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

"CCAA" has the meaning given to that term in the recitals;

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

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

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

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

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

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

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

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

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

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

"DIP Facility" has the meaning given to that term in section **Error! Reference source not found.**;

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

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

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

"DIP Security" means the DIP Charge and any and all security documents granted by the Obligors providing for a security interest in the

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

"EDC" means Export Development Canada;

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

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

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

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

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

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

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

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

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

"Indemnified Persons" has the meaning given to that term in section 23;

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

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

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

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

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

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

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

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

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

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

"Loan Amount" has the meaning given to that term in section **Error! Reference source not found.**;

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

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

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

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

"Permitted Liens" means (i) the Permitted Priority Liens; (ii) the DIP Charge; (iii) any charges created under the Initial Order or other Court order subsequent and subordinated in priority to the DIP Charge; (iv) Encumbrances existing prior to the filing date; (v) inchoate statutory Encumbrances arising after the filing date in respect of any accounts payable arising after the filing date in the ordinary course of business; (vi) miner's liens incurred in the ordinary course of business; and (vii) Liens in the ordinary course of the business in relation to obligations that do not secured Indebtedness;

"Permitted Priority Liens" means (i) the Priority Charges; (ii) any Encumbrance in respect of amounts payable by the Borrowers for wages, vacation pay, employee deductions, sales tax, excise tax, tax payable pursuant to Part IX of the *Excise Tax Act* (Canada) (net of input credits), income tax and workers compensation claims, in each case solely to the extent such amounts are given priority by applicable Law and only to the extent that the priority of such amounts has not been subordinated to the DIP Charge granted by the Court; and (iii) such other Encumbrances existing as of the Filing Date that have not been subordinated to the DIP Charge granted by the Court.

"Permitted Variance" means, for each Testing Period, a variance of not more than 10% relative to the aggregate net cash flow on a cumulative basis commencing on the date of the initial Approved Cash Flow Forecast and ending on the last day of such Testing Period; provided that for the purposes of determining any net cash flow, the fees, costs and expenses payable to the Monitor, the Obligors, the DIP Lenders, the DIP Agent, the Fronting Lender or their respective advisors shall be excluded from such net cash flow;

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

"Pre-Approved Steensby CapEx" means ■;

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

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

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

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

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

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

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

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

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

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

"SISP" has the meaning given to that term in section 26;

"SISP Milestones" has the meaning given to that term in section 26;

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

"Steensby Expansion" has the meaning given to that term in section 14;

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

"Supermajority DIP Lenders" means, as of any time of determination, DIP Lenders holding not less than 66.67% of the sum of all DIP Loans

outstanding and undrawn commitments in effect with respect thereto (without taking into account any commitments temporarily held by the Fronting Lender for the account of the ultimate Lenders) at such time;

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

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

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

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

[Signature page follows]

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

BORROWERS:

**BAFFINLAND IRON MINES
CORPORATION**

by _____

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

by _____

GUARANTORS:

NUNAVUT IRON ORE, INC.

by _____

12334992 CANADA INC.

by _____

[Signature Page – DIP Term Sheet]

SCHEDULE A
DIP FACILITY COMMITMENTS

DIP Lender	DIP Commitment	Notice Information
Brigade Capital Management, LP	\$22,000,000	
Citadel Advisors LLC	\$8,000,000	
Polen Capital Credit, LLC	\$45,000,000	
Opps XII BLIM Holdings, L.P.	\$180,000,000	Oaktree Capital Management 555 South Flor Street, 36 th Floor Los Angeles, CA 90071 Attention: David Nicoll Email: dnicoll@oaktreecapital.com
Hartree Partners, LP	\$45,000,000	Hartree Partners, LP 1185 Avenue of the Americas, New York, NY 10036 Attention: Scott Potolsky Email: HMFI- notices@hartreepartners.com CC: legalNY@hartreepartners.com
Total.....	\$300,000,000	

SCHEDULE B
APPROVED CASH FLOW FORECAST

DIP FACILITY LOAN AGREEMENT

DATED AS OF May ■, 2026

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

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

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

1. **Defined Terms:** A capitalized term not defined in the body of this Agreement has the meaning ascribed to it in the Definitions section below.
2. **Interpretation:** In this Agreement, words signifying the singular number include the plural and *vice versa*, and words signifying gender include all genders. Every use of the word "including" in this Agreement is to be construed as meaning "including, without limitation".

The division of this Agreement into Sections and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement.

References in this Agreement to Sections or Schedules are to be construed as references to a Section or Schedule of or to this Agreement unless the context requires otherwise.
3. **Currency:** Unless otherwise stated, all monetary denominations shall be in lawful currency of the United States of America.
4. **Borrowers:** Baffinland Iron Mines Corporation ("**BIM Corp**") and Baffinland Iron Mines LP ("**Baffin LP**" and, together with BIM Corp, the "**Borrowers**").
5. **Guarantors:** ~~Means~~ Nunavut Iron Ore, Inc. and 12334992 Canada Inc. (collectively, the "**Guarantors**" and collectively with the Borrowers, the "**Obligors**").
6. **DIP Lenders:** The institutions described in Schedule A (on behalf of themselves and their affiliates and managed funds) hereby commit to provide the DIP Facility, on a joint and several ~~and not joint~~ basis (collectively, in the respective amounts set forth adjacent to each such institution's name in Schedule A "**DIP Lenders**") upon the terms and conditions set forth in this Agreement ~~(collectively, the "~~¹ As between themselves, DIP

¹ Note to Draft: It is uncompetitive for the Borrowers to seek redress against individual DIP Lenders. The DIP Lenders' obligations should be joint and several vis-à-vis the Borrowers. The DIP Lenders are free to

Lenders²' respective commitments are set forth adjacent to each DIP Lender's name in Schedule A.

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

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

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

7. **DIP Facility:** The DIP Lenders agree to establish in favour of the Borrowers a debtor-in-possession delayed draw term loan facility (the "DIP Facility" and, the loans thereunder, the "DIP Loans") in the principal amount equal to \$[300 million] (the "Loan Amount").² No amount capitalized as principal hereunder shall reduce the availability of the full Loan Amount to the Borrowers.
8. **DIP Advances:** ~~An initial advance~~ Advances under the DIP Facility in the aggregate principal amount of up to \$50.110 million (the "~~Initial Advance~~ Bridge Advances") shall be made available to the Borrowers ~~and shall be deposited into the Borrowers' Account (defined below) within one (1) Business Day after~~ during the four week period beginning on the date of the ~~entry of the~~ Second Amended and Restated Initial Order (~~defined below~~), ~~provided the "Bridge Period"~~, subject to satisfaction of the Subsequent Advance Conditions (other than the first advance under the DIP Facility (the "Initial Advance"), which shall be advanced to the Borrower on the date of the Second Amended and Restated Initial Order and is subject to the Initial Advance Conditions ~~are satisfied as of such date).~~

DIP Lenders' obligations should be joint and several vis-à-vis the Borrowers. The DIP Lenders are free to make their own arrangements among each other.

² **Note to Draft:** Consider size of the DIP Facility Amount in connection with expected DIP Advisor Fees to be incurred during the CCAA Proceeding and to account for a KERF in the range of [X], each of which are not yet accounted for in the financial model.

Notwithstanding anything else to the contrary herein, fees accruing on or levied in relation to or in respect of the Bridge Advances, and professional fees or expenses payable in connection with the Bridge Advances shall not be payable by the Obligors, and none of the Obligors shall be liable for the payment of such amounts, whether as Indebtedness or as an obligation or liability of any kind, nor shall such amounts form a part of the DIP Obligations during the Bridge Period. For greater certainty, interest shall accrue and be payable on the Bridge Advances pursuant to the terms hereof. In the event the DIP Facility is not refinanced or otherwise assigned by the DIP Lenders, the DIP Agent or the Fronting Lender during the Bridge Period, the fees that have accrued or would have otherwise been payable to the DIP Lenders, the DIP Agent or the Fronting Lender pursuant to the terms hereof and any professional fees or expenses that would have otherwise been payable hereunder by the Borrowers, in each case but for the limitations provided herein, shall be deemed to have accrued and shall be payable from the date of the Initial Advance to but excluding the last day of the Bridge Period and shall form a part of the DIP Obligations. If the Bridge Facility is so refinanced or otherwise assigned, no such fees or professional fees and expenses shall be owing or payable by any Obligor.

Subsequent advances under the DIP Facility (each, a "**Subsequent Advance**") shall be made available to the Borrowers and shall be deposited into the Borrowers' Account (defined below) every other week (or as otherwise agreed by the Borrowers and the Required DIP Lenders), with each Subsequent Advance being in an amount no less than \$20 million ~~against the Approved Cash Flow Forecast,~~³ in each case subject to the satisfaction of the Subsequent Advance Conditions (as defined below). The sum of the Initial Advance and the Subsequent Advances shall not exceed the Loan Amount. The timing and amount of each Subsequent Advance shall be determined based on the funding needs of the Borrowers as set forth in the Approved Cash Flow Forecast, and Subsequent Advances shall only be available and provided hereunder after the Borrowers have received the entirety of the Initial Advance.

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

³ Note to Draft: Advances are required to be made in accordance with the Approved Cash Flow Forecast elsewhere.

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

9. **Use of Proceeds:** The proceeds of the DIP Facility shall be used solely by the Borrowers in accordance with the Approved Cash Flow Forecast (subject to Permitted Variances), which shall include provision for payment, in all respects subject to and to the extent included in the Approved Cash Flow Forecast (subject to Permitted Variances), of (i) the fees of the Monitor and its counsel and counsel for the ~~Borrowers~~Obligors, (ii) interest, fees (including the Commitment/Funding Fee) and other amounts owing to the DIP Lenders under this Agreement, (iii) ~~pre-and~~ post-filing expenses payable to the DIP Lenders or to the extent constituting Permitted Advisor Payments, their advisors under the ~~Senior Credit Agreement, the Indenture, or the DIP Facility (including, without limitation, those set forth in section 13),~~ and ordinary course payments for the Borrowers' working capital needs during the CCAA Proceeding, including, post-filing accounts payable in the ordinary course of the Business ~~and~~ Priority Payables and in respect of the pursuit of the SISF, (iv) royalty payments under each of the Royalty Agreements when due and payable under such Royalty Agreement, (v) cash collateral required to support letters of credit issued by financial institutions, (vi) Pre-Approved Steensby Capex, and ~~(vii)~~ amounts payable under the Benefits Agreement, ~~in each case, under clauses (i) through (v), as set forth in the Approved Cash Flow Forecast (subject to Permitted Variances).~~ ⁴ Without the prior written consent of the Required DIP Lenders ~~(subject to the Supermajority DIP Lender Budget Consent Right)~~, no proceeds may be used, and no expenditures shall be made, for any purpose that is not included in the Approved Cash Flow Forecast (subject to Permitted Variances).
10. **Assignment by** The Borrowers shall not be permitted to assign their interests in this Agreement without the prior written consent of ~~each~~the Required DIP

⁴ Note to Draft: Deleted language is duplicative of lead-in language.

the Borrowers: ~~Lender~~Lenders, not be unreasonably withheld.

11. **Evidence of Indebtedness:** The DIP Agent shall maintain a register evidencing Advances and repayments under the DIP Facility and all other amounts owing from time to time hereunder. The DIP Agent register constitutes, in the absence of manifest error, *prima facie* evidence of the Indebtedness of the Borrowers to the DIP Lenders pursuant to the DIP Facility.

12. **Interest; Fees** All amounts owing by the Borrowers hereunder to the DIP Lenders on account of the principal, overdue interest and expenses shall bear interest at a rate per annum equal to ~~Adjusted Term SOFR (which, for purposes of this Agreement, shall have the meaning given to such term in the Senior Credit Agreement, treating the DIP Loans as SOFR Loans thereunder and utilizing a one-month Interest Period as set forth below)~~1 month Term SOFR from time to time plus ~~7.00~~4.75%, payable entirely in cash on each Interest Payment Date (the "**Interest Rate**"). To the extent permitted by Law, effective upon the occurrence of and during the continuance of an Event of Default, all overdue amounts owing to the DIP Lenders hereunder by the Borrowers on account of principal, overdue interest and expenses shall bear interest at the Interest Rate plus an additional 2% per annum (the Interest Rate, as increased, the "**Default Rate**").

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

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

~~Upon entry of the Second Amended and Restated Initial Order~~If the DIP Facility is not refinanced or otherwise assigned by the DIP Lenders during the Bridge Period, on the day following the Bridge Period, the Borrowers shall pay a fee (the "**Commitment/Funding Fee**") of ~~3.00~~1.75% of the Loan Amount to the DIP Lenders on a pro rata basis, which such Commitment/Funding Fee shall be payable in kind and capitalized on the principal amount of the DIP Loans on such date.

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

Notwithstanding anything to the contrary in this section 12, this section

12 is subject to the restrictions on interest, fees and expenses imposed under section 8 with respect to Bridge Advances.

13. **Other Costs and Expenses:** ~~The Borrower~~ Subject to the limitations in Section 8, the Borrowers shall pay all reasonable and documented third-party out-of-pocket costs and expenses of the DIP Agent, the DIP Lenders and the Fronting Lender for all due diligence and all reasonable and documented fees, out-of-pocket expenses and disbursements of advisors (which, for the avoidance of doubt, shall include (i) Stikeman Elliott LLP, as counsel to the Senior Lenders, (ii) Paul, Weiss, Rifkind, Wharton & Garrison LLP, as special counsel to the Senior Lenders, (iii) a financial advisor to the Senior Lenders, (iv) Akin Gump Strauss Hauer & Feld LLP, as counsel to the Holder AHG, (v) Cassels Brock & Blackwell LLP, as counsel to the Holder AHG and (vi) Houlihan Lokey, as financial advisor to the Holder AHG), and notwithstanding anything to the contrary herein which reasonable and documented fees, out-of-pocket expenses and disbursements of advisors shall not exceed \$■ per month (such amounts, "Permitted Advisor Payments"),⁵ in each case, incurred post-CCAA filing in connection with the preparation, negotiation and consummation of this Agreement ~~or any other Restructuring Transaction~~, the administration of the DIP Facility and participation in the CCAA Proceeding, including any reasonable and documented third-party costs and out-of-pocket expenses incurred by the DIP Agent, the DIP Lenders and the Fronting Lender in connection with the enforcement of any of the rights and remedies available hereunder or under the DIP Security (such post CCAA-filing expenses, collectively, the "**DIP Lender Expenses**"). The DIP Lender Expenses shall form part of the DIP Obligations secured by the DIP Charge (as defined below). All accrued DIP Lender Expenses incurred post CCAA-filing and prior to date of the Initial Advance ~~(including prior to the filing of the CCAA Proceeding)~~ shall be paid in full through deduction from the Initial Advance.
14. **Approved Cash Flow Forecast:** Attached hereto as Schedule B is a detailed cash flow projection (the "**Initial Cash Flow Forecast**"), which is in form and substance satisfactory to the Required DIP Lenders and which may include, *inter alia*, provision for payments on account of any interest and expenses which may be payable under the DIP Facility, rent and other occupancy costs, supplier payments, cash collateral required to support letters of credit issued by financial institutions, post-filing accounts payable in the ordinary course of the Business, Priority Payables, payments of amounts payable under the Royalty Agreements and the Benefits Agreement, and the costs and expenses associated with the CCAA Proceeding.
- The Borrowers, with the assistance of the Monitor, shall, from time to time as required by this Agreement, present the DIP Lenders with a

⁵ Note to Draft: Please provide a figure for the DIP Lender's professional advisor fees. This will affect the net proceeds available to the Borrower.

revised ~~budget in a form acceptable to the Required DIP Lenders (subject to the Supermajority DIP Lender Budget Consent Right)~~cash flow in a substantially similar form (the "**Updated Cash Flow Forecast**"). Upon the written approval of the Required DIP Lenders ~~(subject to the Supermajority DIP Lender Budget Consent Right)~~, the Updated Cash Flow shall thereafter be deemed to be the effective ~~budget~~cash flow forecast (the "**Approved Cash Flow Forecast**") for the purposes hereof. Until such time as the Required DIP Lenders ~~(subject to the Supermajority DIP Lender Budget Consent Right)~~ approve an Updated Cash Flow Forecast, the prior Approved Cash Flow Forecast shall remain in effect ~~for disbursement lines in the Operating Disbursements section set forth in the then~~ applicable Initial Cash Flow Forecast or ~~Approved Cash Flow Forecast, as applicable; provided that no other amounts may be "rolled forward" past the 13-week period contemplated by such Approved Cash Flow Forecast, and no additional amounts may be expended thereon except as expressly approved in a subsequently approved Updated Cash Flow Forecast.~~⁶ The DIP Lenders shall be under no obligation to approve any Updated Cash Flow Forecast notwithstanding any prior approval of any prior or then-current Approved Cash Flow Forecast, recognizing that if no such approval is given the then prior Approved Cash Flow Forecast shall remain in effect.⁷

The DIP Lenders agree to provide for approvals in allocations in the Approved Cash Flow Forecast to capital expenditures in connection with Pre-Approved Steensby CapEx.

~~Notwithstanding any other provision of this Agreement, neither the DIP Agent nor the DIP Lenders shall be obligated to make any advance under the DIP Facility which does not comply with or adhere to the Approved Cash Flow Forecast.~~

~~For the avoidance of doubt, the Approved Cash Flow Forecast will include payment of all reasonable and documented out of pocket fees and expenses of advisors to EDC, the Senior Agents, the Senior Lenders and the Holder AHG (which, for the avoidance of doubt, shall include (i) Stikeman Elliott LLP, as counsel to the Senior Lenders, (ii) Paul, Weiss, Rifkind, Wharton & Garrison LLP, as special counsel to the Senior Lenders, (iii) a financial advisor to the Senior Lenders, (iv) Akin Gump Strauss Hauer & Feld LLP, as counsel to the Holder AHG, (v) Cassels Brock & Blackwell LLP, as counsel to the Holder AHG and (vi) Houlihan Lokey, as financial advisor to the Holder AHG).~~

~~The~~In addition to Pre-Approved Steensby CapEx, the DIP Lenders agree to provide for approvals in allocations in the Approved Cash Flow Forecast to capital expenditures in connection with the Steensby Expansion or any additional exploration costs at such time as the

⁶ Note to Draft: Limiting the roll-forward to opex will starve the business intended to be operated in the ordinary course. It is not competitive.

⁷ Note to Draft: Deleted items are duplicative of the above.

Borrowers have (i) obtained one or more bona fide, binding, irrevocable bids in the SISP that provide for (A) the repayment in full in cash of the DIP Facility and the obligations under the Senior Credit Agreement and the Senior Secured Notes on or prior to the closing of such sale transaction, and (B) the consent of such bidder(s) to pursue the Steensby Railway project and related financing process (the "Steensby Expansion") and further exploration, with a plan for execution which is reasonably acceptable to the Required DIP Lenders; (ii) submitted to the DIP Lenders supporting plans including engineering, design and operations acceptable to the Required DIP Lenders; and (iii) liquidity which is reasonably acceptable to the Required DIP Lenders; ~~provided, however, that the approval of the Supermajority DIP Lenders shall be required with respect to allocations of more than \$95 million to the Steensby Expansion or exploration in any Updated Cash Flow Forecast (the "Supermajority DIP Lender Budget Consent Right").~~

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

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

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

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

- (b) ~~all reasonable and documented third-party expenses payable to the DIP Agent, the DIP Lenders and the Fronting Lender hereunder will be paid from the proceeds of the Initial Advance~~

- ~~on the date of the Initial Advance; and~~⁸~~[reserved];~~
- (c) ~~the DIP Lenders shall have received an Advance Notice in accordance with the terms hereof~~⁸~~[reserved];~~
- (d) no Default or Event of Default shall have occurred and be continuing or will occur as a result of the Initial Advance; ~~and~~
- (e) ~~the DIP Agent and the Required DIP Lenders~~ ^{there} shall be satisfied that there are no Encumbrances on the Collateral ranking in priority to or *pari passu* with the DIP Charge other than as expressly permitted by the terms hereof;
- ⁹~~(f) the Obligors shall have delivered to the DIP Agent customary officer's certificates and authorizing directors' resolutions, in form and substance satisfactory to the Required DIP Lenders; and~~
- (g) ~~the Borrowers shall have provided to the DIP Agent and the Required DIP Lenders a list of all material licences and permits required for the continued operation of the Business into the foreseeable future, including their current status, renewal and such other material items related thereto (the "Material Licences and Permits Schedule").~~

16. **Conditions Precedent to Advances of the Loan Amount (other than the Initial Advance):**

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

- (a) the Second Amended and Restated Initial Order shall not have been stayed, amended, modified, reversed, waived, dismissed or appealed (or any such appeal shall have been dismissed with no further appeal therefrom or the applicable appeal periods shall have expired) ~~and no notices of the foregoing shall have been filed,~~ unless otherwise agreed by the Required DIP Lenders, in their ~~sole~~^{reasonable} discretion;
- (b) ~~the Second Amended and Restated Initial Order has not been amended, restated or modified in a manner that materially adversely affects the rights, remedies or interests of the DIP Lenders without the prior written consent of the Required DIP Lenders; provided that any such modification which would require the consent of a given DIP Lender under section 33 hereof be subject to such DIP Lenders' consent;~~⁹~~[reserved]~~
- (c) the DIP Lenders shall have received an Advance Notice in accordance with the terms hereof;

⁸ Note to Draft: The Initial Advance will occur during the Bridge Period and so no fees, etc. should be payable.

⁹ Note to Draft: Deleted deliveries are overly burdensome. The key permit for the mine is the Project Certificate. There are otherwise a very large number of permits. It is not workable in context and will consume too much management time for little benefit. DIP Lenders have also not provided a compelling reason as to why the list is necessary.

- (d) subject to section 8, all reasonable and documented third-party ~~expenses payable to the DIP Agent, the DIP Lenders and the Fronting Lender hereunder~~ out-of-pocket DIP Lender Expenses have been paid or will be paid from the proceeds of the requested Advance on the date of the applicable Advance;
- (e) there shall be no Encumbrances on the Collateral ranking in priority to or *pari passu* with the DIP Charge other than as expressly permitted by the terms hereof;
- (f) no Default or Event of Default shall have occurred and be continuing or will occur as a result of the requested Advance;
- (g) ~~the Obligors shall be in compliance in all material respects with all covenants and obligations contained in this Agreement~~ [reserved]; ¹⁰
- (h) ~~an updated Approved Cash Flow Forecast has been agreed to between the Borrowers and the Required DIP Lenders (subject to the Supermajority DIP Lender Budget Consent Right), and the Borrowers are in compliance with the current Approved Cash Flow Forecast (subject to Permitted Variances) as at the date of the proposed Advance;~~ ¹¹
- (i) ~~the Obligors shall be in compliance with the SISP Milestones;~~
- (j) ~~the Borrowers shall have delivered to the DIP Agent and the Required DIP Lenders, in the Advance Notice (or in a supplemental certificate executed by an officer of the Borrowers and delivered concurrently therewith), either (i) an updated Material Licences and Permits Schedule reflecting any additions, deletions, lapses, suspensions, revocations or changes in status to any of the items listed therein since the date of the most recent Material Licences and Permits Schedule delivered to the Required DIP Lenders, or (ii) a certification that the most recent Material Licences and Permits Schedule delivered to the Required DIP Lenders remains true and correct in all material respects as of the date of the requested Advance; and~~
- (k) ~~all conditions precedent in section 15 immediately above in this Agreement shall have been and continue to be satisfied on the date of such Advance.~~ (i) [reserved]. ¹²

17. **DIP Charge:** All of the obligations of the Obligors under or in connection with the DIP Facility, including without limitation, all principal, interest, fees and ~~amounts owing in respect of reasonable and documented third-party expenses of the DIP Agent, the DIP Lenders and the Fronting~~ DIP

¹⁰ Note to Draft: Breach of covenant is an EoD, so it subsumed by (f).

¹¹ Note to Draft: The requirement to agree an updated cash flow (vs. rolling) effectively makes this a single draw facility at the discretion of the DIP Lenders which is not acceptable.

¹² Note to Draft: Non-compliance with SISP Milestones is an Event of Default which is already a draw condition.

Lender Expenses (collectively, the "**DIP Obligations**"), shall be secured by a Court-ordered charge on the Collateral in favour of the DIP Agent, for the benefit of the DIP Lenders (the "**DIP Charge**").

The DIP Charge shall rank ahead of any and all Encumbrances on the Collateral other than (i) the administration charge not exceeding \$5.0 million, ~~to be granted by the Court and~~ (ii) the directors and officers charge not exceeding \$20.4 million, ~~to be granted by the Court and~~ (iii) in respect of the Cash Collateral (as defined in the Amended and Restated Initial Order) (collectively, the "**Priority Charges**"). ~~All Collateral will be free and clear of all Encumbrances, except for Permitted Liens, in each case unless otherwise consented by the Required DIP Lenders (acting reasonably).~~¹³

18. **DIP Security:** The Guarantors hereby guarantee in favour of the DIP Agent, for the benefit of the DIP Lenders, the payment and performance of the DIP Obligations of the Borrowers ~~pursuant to the terms set forth in Schedule C hereto.~~¹⁴

The DIP Lenders shall be permitted to request DIP Security (in form and substance reasonably satisfactory to the Required DIP Lender) from the Obligors at any time. The DIP Security shall continue as a first priority Encumbrance on the Collateral in favour of the DIP Agent, for the benefit of the DIP Lenders, subject to subordination only in respect of the Priority Charges and Priority Payables. For greater certainty, the delivery of DIP Security shall not be a condition precedent to the Initial Advance or any other advances of the Loan Amount as set out in sections 15 and 16.

19. ~~Hedging Obligations~~ [Reserved].¹⁵ ~~Notwithstanding anything herein to the contrary, Hedging Obligations owing to any DIP Lender may be secured by liens which are equal in priority to the DIP Security.~~

20. **Borrowers' Account:** Advances shall be deposited into a bank account to be designated by the Borrowers (the "**Borrowers' Account**") and utilized by the Borrowers in accordance with the terms of this Agreement. At the request of the DIP Lenders, the Borrowers shall put in place a blocked account agreement in favour of the DIP Agent (for the benefit of the DIP Lenders) thereon on such terms as are acceptable to the Required DIP Lenders, in their discretion. Any such blocked account agreement shall not impose a payment block absent the occurrence of an Event of Default that is continuing.

21. **Repayment and Maturity Date:** All DIP Obligations shall be due and payable on the earliest of the occurrence of any of the following:

¹³ Note to Draft: Deletion covered by negative covenants.

¹⁴ Note to Draft: Detailed guarantee provisions are unnecessary in the context of a court approved DIP.

¹⁵ Note to Draft: Hedging and ranking of related security to be discussed post-DIP.

- (a) conversion of the CCAA Proceeding into a proceeding under the *Bankruptcy and Insolvency Act* (Canada);
- (b) the ~~occurrence of an Event of Default and~~ date which is fifteen (15) days after a demand for payment is made by the DIP Agent (at the request of the Required DIP Lenders) following the occurrence of any Event of Default that is continuing as of such date;
- (c) the closing of a Restructuring Transaction or combination of Restructuring Transactions; or
- (d) the date that is ~~twelve~~ eighteen (1218) months after the ~~date of this Agreement~~ granting of the Second Amended and Restated Initial Order, subject to the extensions set forth below (the "Stated Maturity Date")

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

The Stated Maturity Date may be extended ~~two times~~ one time by the Borrowers for up to ~~three~~ six (36) months ~~each time~~, provided that (i) the Borrowers deliver a written extension request to the DIP Agent not less than ten (10) days prior to the then applicable Stated Maturity Date, (ii) no Default or Event of Default exists on the then applicable Stated Maturity Date, (iii) the Borrowers shall have paid an extension fee on the date of each such extension equal to ~~two~~ one percent (21%) of the DIP Loans outstanding at such time, payable in-kind on the date of such extension to the DIP Agent on behalf of the DIP Lenders on a pro rata basis and capitalized on the principal amount of the DIP Loans as of such date and (iv) the Borrowers shall have provided to the DIP Agent and the DIP Lenders an Updated Cash Flow Forecast ~~as approved by the Monitor and~~ which shall be in form and substance satisfactory to the Required DIP Lenders ~~(subject to the Supermajority DIP Lender Budget Consent Right) in their sole discretion~~ acting reasonably, through and including the date to which the Stated Maturity Date is extended.

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

22. **Payments:**

All payments of principal, interest and expenses hereunder, if applicable, shall be made for value in the full amount due at or before 12:00 noon on the day such amount is due by deposit or transfer thereof to the DIP Agent or as the DIP Lenders may direct. Payments received after such time shall be deemed to have been made on the next following Business Day. If any payment is due on a day which is not a Business Day, such payment shall be due on the next following Business Day and interest shall accrue until but excluding the actual date of payment. Each payment to be made by the Borrowers under this Agreement shall be made in full without deduction, set-off or

counterclaim of any kind or for any reason. If any expenses incurred by the Borrowers after the date of this Agreement are not paid by the Borrowers, the DIP Agent may, but shall have no duty to do so, pay all such expenses whereupon such amounts shall be added to and form part of the DIP Obligations and shall reduce the availability under the DIP Facility. Unless otherwise consented to in writing by the Required DIP Lenders, the net cash proceeds of any sale, realization or disposition of, or with respect to, any of the Collateral (including obsolete, excess or worn-out Collateral) out of the ordinary course of business, ~~any cash or other proceeds received out of the ordinary course of business~~ (for greater certainty, net of transaction fees and applicable taxes in respect thereof), or any insurance proceeds (net of expenses incurred by the applicable Obligor in connection therewith, including transaction fees and applicable taxes in respect thereof) (each "**Net Proceeds**") paid to the Borrowers or Guarantors in respect of such Collateral, shall be paid to the DIP Agent (for the benefit of the DIP Lenders) and applied to reduce the DIP Obligations ~~(for greater certainty, net of transaction fees and applicable Taxes in respect thereof)~~. ~~Any amounts~~ and permanently reduce and cancel an equivalent portion of the Facility Amount in an amount equal to the Net Proceeds of such sale, realization, disposition or insurance; provided that, in lieu of such prepayment, the applicable Obligor shall be permitted to apply such Net Proceeds within 180 days after the receipt thereof by such Obligor to, or to contract to, repair or replace the affected Collateral, subject to such Obligor's written notice thereof to the DIP Lender promptly following the sale, realization, disposition or casualty event in respect of insurance proceeds. Any such amount repaid may not be reborrowed.

23. **Indemnity:**

~~The~~ Subject to section 8, the Obligor(s) agree to indemnify and hold harmless the DIP Agent, the DIP Lenders, the Fronting Lender and their respective Affiliates, partners and officers, directors, employees, representatives, advisors, solicitors and agents (collectively, the "**Indemnified Persons**") from and against any and all actions, lawsuits, proceedings (including any investigations or inquiries), claims, losses, damages, liabilities or reasonable and documented third-party expenses of any kind or nature whatsoever which may be incurred by any of the Indemnified Persons (collectively, the "**Claims**") as a result of, in connection with or in any way related to the DIP Facility, the priority of the DIP Charge, the proposed or actual use of the proceeds of the DIP Facility or this Agreement; provided, however, that the Obligor(s) shall not be obligated to indemnify pursuant to this paragraph any Indemnified Person against any Claim (a) to the extent it resulted from the gross negligence, wilful misconduct ~~or~~, bad faith or breach of agreement of any Indemnified Person as finally determined by a court of competent jurisdiction, ~~or~~ (b) to the extent arising from any dispute solely among Indemnified Persons other than any Claims arising out of any act or omission on the part of the Obligor(s), or (c) arising from any appeal, motion to stay, vary, amend, or other proceeding brought by any party challenging the Second Amended and Restated Initial Order, to the

extent such challenge relates to the DIP Facility, and only if the Bridge Facility is refinanced or otherwise assigned during the Bridge Period. The Obligor shall not be responsible or liable to any Indemnified Person or any other person for consequential or punitive damages. Notwithstanding anything to the contrary herein, the indemnities granted under this Agreement shall survive any termination of the DIP Facility.

24. **Representations and Warranties:**

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

- (a) such Obligor is validly formed and existing under the laws of its jurisdiction of incorporation or formation;
- (b) such Obligor has the power and capacity, ~~and the legal right,~~ to own or lease and operate its property, to carry on its business as now conducted and as proposed to be conducted, ~~and subject to Court approval of this Agreement, to enter into, execute, deliver and perform its obligations under this Agreement;~~¹⁶
- (c) ~~such Obligor has taken all necessary action to authorize the execution, delivery and performance of this Agreement. Subject to the issuance of the Initial Order, Amended and Restated Initial Order or Second Amended and Restated Initial Order, as applicable, and the terms thereof, no consent or authorization of, filing with, notice to or other act by, or in respect of, any governmental authority or any other person is required in connection with the extensions of credit hereunder or with the execution, delivery, performance, validity or enforceability of this Agreement; [reserved];~~¹⁷
- (d) this Agreement and the transactions contemplated by this Agreement:
 - (i) are within the powers of such Obligor and, subject to the granting of the Second Amended and Restated Initial Order, ~~as applicable,~~ constitute legal, valid and binding obligations of such Obligor, enforceable against it in accordance with the terms hereof;
 - (ii) have been duly authorized, executed and delivered by or on behalf of such Obligor; and
 - (iii) subject to the granting of the Second Amended and Restated Initial Order, as applicable, do not and will not conflict with, contravene, violate or result in a breach of: (A) any of the terms or provisions of such Obligor's constituting documents or by-laws, (B) any ~~material contracts or instruments~~ Material Contracts to which such Obligor is a party or pursuant to which any of its assets or property may be affected or (c) any

¹⁶ Note to Draft: Deleted text covered by (d).

¹⁷ Note to Draft: Deleted text covered by (d).

applicable Law;

- (e) the Business of such Obligor has been and will continue to be conducted in material compliance with all applicable Laws (including environmental laws) of each jurisdiction in which the Business has been or is being carried on subject to the provisions of the CCAA and any Court order made after the date of the Initial Order;
- (f) ~~such Obligor and its properties and businesses comply in all material respects, and the use of its properties comply in all material respects, with all applicable environmental laws; such Obligor has no knowledge of any facts which result in, or constitute, or are likely to give rise to, non-compliance with any environmental laws in any material respect;~~ [reserved];¹⁸
- (g) such Obligor owns, leases or has the lawful right to use all of the material properties and undertaking necessary for the conduct of the business of such Obligor;
- (h) such Obligor has obtained any material Authorizations for the operation of the Business, which Authorizations remain, and after entering into the DIP Facility will remain, in full force and effect. No proceedings have been commenced to revoke or amend any such Authorizations;
- (i) such Obligor does not have any defined benefit pension plans or similar plans and is in material compliance with all applicable Law respecting its employees' employment and all collective bargaining agreements to which it is a party or otherwise bound;
- (j) ~~except as otherwise disclosed to the DIP Lenders in writing prior to the date hereof,~~ such Obligor is current on its post-filing payment obligations for rent and other occupancy costs and expenses in respect of any premises that it leases;
- (k) all of such Obligor's obligations (including fiduciary, funding, investment and administrative obligations, if any) required to be performed in connection with such Obligor's employee benefit plans have been performed on a timely basis;
- (l) such Obligor has filed all Tax returns which were required to be filed and paid all Taxes (including interest and penalties) which are due and payable, except as disclosed to the DIP Lenders prior to the date hereof¹⁹ or for charges, fees or dues which are not material in amount or which are not delinquent or if delinquent are being contested in good faith by appropriate proceedings;
- (m) such Obligor and each of its subsidiaries has good and valid title to, or legally binding property right in, or valid leasehold interests

¹⁸ Note to Draft: Otherwise covered.

¹⁹ Note to Draft: Covers amounts potentially owed pursuant to Greenhouse Gas Pollution Pricing Act.

in, all material real property necessary or used in the ordinary conduct of its business, in each case free and clear of all ~~Liens~~Encumbrances other than those ~~Liens~~Encumbrances permitted by section 4.10 of the Indenture and "Permitted Liens" under the Indenture (as same exists on the date of this Agreement) and except for minor defects in title as ~~could~~would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the operations, financial condition, ~~and/or future prospects~~ of the Obligors taken as a whole;

- (n) all information provided by or on behalf of such Obligor to the DIP Lenders for the purposes of or in connection with this Agreement or any transaction contemplated herein is, true and accurate in all material respects on the date as of which such information was provided, not incomplete and does not omit to state any fact necessary to make such information (taken as a whole) not materially misleading at such time, in light of the circumstances under which such information was provided; ~~and~~
- (o) ~~none of the Obligors owns or controls, directly or indirectly, any subsidiaries which are not Obligors.~~ [reserved];
- (p) each Obligor maintains adequate insurance coverage, as is customary with companies in the same or similar business of such type, in such amounts and against such risks as is prudent for a business of its nature with financially sound and reputable insurers and that contain reasonable coverage and scope;
- (q) except for those defaults which are stayed by the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order ~~and/or~~ as disclosed to the DIP Lenders in writing, all Material Contracts are in full force and effect ~~and are valid, binding and enforceable~~ in accordance with their terms, ~~and the Obligors do not have any knowledge of any default that has occurred and is continuing thereunder (other than those defaults arising as a result of or relating to the insolvency of the Obligors or any of their affiliates or the commencement of the CCAA Proceeding);~~ subject to the stay of proceedings granted by the Court in the CCAA Proceedings;
- (r) except as disclosed to the DIP Lenders in writing ~~by the Obligors~~, there are no agreements of any kind (i) between the Obligors and any other third party or any holder of debt or Equity Securities of the Obligors with respect to any Restructuring Transaction, which remain in force and effect as of the date hereof, or (ii) between the Borrowers and any related party;
- (s) other than potential proceedings in connection with the Second Amended and Restated Initial Order to be sought by the Borrower, or this DIP Facility, or as stayed pursuant to the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order, there is not now pending or, to the knowledge of any of the senior officers of the Obligors,

threatened against the Obligors, nor has any Obligor received notice in respect of, any ~~material~~-claim, potential claim, litigation, action, suit, arbitration or other proceeding by or before any court, tribunal, governmental entity or regulatory body, in each case that would reasonably be expected to be material and adverse to the Obligors, taken as a whole;

- (t) each Obligor has maintained and paid current its obligations, as applicable, for payroll, source deductions, harmonized, goods and services and retail sales tax, and is not in arrears of its statutory obligations to pay or remit any amount in respect of these obligations;
- (u) ~~the Obligors have valid leasehold interests in all leases, subleases or assignments of leases, and each such lease is in full force and effect, and the Obligors do not have knowledge of any default that has occurred (other than in connection with the CCAA Proceeding);~~[reserved];²⁰
- (v) ~~the Borrowers have not taken or omitted to take any action that could materially impact their continued operations, including (i) failing to procure any essential products needed before the shipping window closes, (ii) ceasing their mining operations, or (iii) reducing their workforce;~~[reserved];²¹
- (w) ~~any information provided by the Borrowers to the DIP Agent and the DIP Lenders on the status of the SISF, the Steensby Railway project and related financing process (the "Steensby Expansion") to date, including any reporting required pursuant hereto, is accurate and complete, and the Obligors have disclosed all material information in respect of such processes to the DIP Agent and the DIP Lenders; and~~[reserved]²²; and
- (x) ~~no Default or Event of Default has occurred and is continuing~~[reserved].

25. **Affirmative Covenants:**

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

- (a) submit to the Court the Second Amended and Restated Initial Order, and any other Court orders which are being sought by the ~~Obligor~~Obligors in a form confirmed in advance to be satisfactory to the Required DIP Lenders (acting reasonably) subject to any amendments that are required by the Court or the Obligors that are acceptable to the Required DIP Lenders (acting reasonably);

²⁰ Note to Draft: Covered by reps above.

²¹ Note to Draft: Too broad.

²² Note to Draft: Subsumed by (n).

- (b) comply with the provisions of all Court orders made in the CCAA Proceeding, including the Initial Order, Amended and Restated Initial Order and the Second Amended and Restated Initial Order;
- (c) use commercially reasonable efforts²³ to allow each of the DIP Agent, DIP Lenders and their respective employees, agents, advisors and representatives access to all ~~collateral~~Collateral, information and documentation of the Obligors, to visit, inspect and conduct examinations of any of such ~~collateral~~Collateral, information and documentation (including any books and records) and discuss its business operations, properties and financial and other conditions with its officers, employees and independent public accountants, in each case, as may be reasonably requested by the DIP Agent or Required DIP Lenders, during normal business hours, in each case subject to applicable privacy laws and solicitor-client privilege; provided that visits to Nunavut shall be subject to such limitations as the Borrowers may from time to time determine, including due to cost, interference with operations, sealift, shipping season and the SISP;
- (d) ~~upon the reasonable request of the Required DIP Lenders, provide updates regarding the status of the CCAA Proceeding, including any information which may otherwise be confidential, subject to same being maintained as confidential by the DIP Lenders; [reserved];²⁴~~
- (e) preserve, renew, maintain and keep in full force its corporate existence and its material Authorizations required in respect of the Business or any of the Collateral;
- (f) keep the DIP Lenders apprised on a timely basis of all material developments with respect to the Business and affairs of the Obligors;
- (g) conduct the Business and preserve, protect and maintain the Collateral in the ordinary course of Business;
- (h) operate and maintain its respective properties and businesses in all material respects in accordance with industry practice and in all material respects in accordance with applicable ~~law~~Law and all Court orders made in the CCAA Proceeding, including the Initial Order, Amended and Restated Initial Order and the Second Amended and Restated Initial Order;
- (i) ~~maintain in full force all policies and contracts of insurance that are now in effect (or renewals thereof) under which the Obligor,~~

²³ Note to Draft: Given the location of the mine in Nunavut, some qualifier is required.

²⁴ Note to Draft: subsumed by (f).

- ~~the Business or any of the Collateral is insured~~[\[reserved\]](#)²⁵;
- (j) except to the extent otherwise agreed by the Required DIP Lenders (acting reasonably), pay all applicable Priority Payables and all other amounts necessary to preserve the Collateral to avoid any Encumbrance thereon and to carry on the business of each Obligor [in the ordinary course](#);
 - (k) promptly notify the DIP Lenders of the occurrence of any Default or Event of Default ~~or of any event or circumstance which could reasonably be expected to result in a material adverse change to the Approved Cash Flow Forecast~~;
 - (l) comply in all material respects with all applicable Laws, rules and regulations applicable to its business, including environmental laws;
 - (m) ~~deliver to the DIP Agent the reporting and other information from time to time reasonably requested by the DIP Agent or the Required DIP Lenders, and any other information pertaining to the business and affairs of the Obligors as reasonably requested by the DIP Agent or any DIP Lender;~~[\[reserved\]](#)²⁶
 - (n) use the proceeds of the DIP Facility in a manner consistent with the restrictions set out herein and in all cases in accordance with the Approved Cash Flow Forecast (subject to Permitted Variances);
 - (o) [\[reserved\]](#)²⁷
 - (p) [\[reserved\]](#)²⁸
 - (e) ~~duly and punctually pay or cause to be paid to the DIP Agent on behalf of the DIP Lenders all principal, interest, fees and other amounts payable by it under this Agreement on the dates, at the places and in the amounts set forth herein;~~
 - (p) ~~authorize the Monitor to (i) meet and communicate with the DIP Agent and DIP Lenders and (ii) provide regular reports to the DIP Agent and DIP Lenders with respect to the DIP Facility and the CCAA Proceeding;~~
 - (q) ~~comply at all times with the~~ [SISP Milestones](#)[\[reserved\]](#)²⁹;
 - (r) on or prior to 5:00 p.m. (Toronto time) on the Monday of every ~~second~~[fourth](#) calendar week beginning after the date of this Agreement (each, a "**Testing Period**"), the Obligors shall have delivered to the DIP Agent and DIP Lenders (x) an Updated

²⁵ [Note to Draft: Covered by insurance covenant below.](#)

²⁶ [Note to Draft: Subsumed by \(c\).](#)

²⁷ [Note to Draft: Covered by EODs.](#)

²⁸ [Note to Draft: The Borrower cannot authorize the Monitor – it is an independent court officer.](#)

²⁹ [Note to Draft: Covered by EODs.](#)

- Cash Flow Forecast ~~that is satisfactory to the Required DIP Lenders (subject to the Supermajority DIP Lender Budget Consent Right)~~ and (y) a Variance Report;³⁰
- (s) ~~the Obligors shall have delivered to the DIP Lenders a business plan that is in form and substance satisfactory to the Required DIP Lenders by no later than the date that is three (3) months after the issuance of the Initial Order; and~~[reserved];
 - (t) ~~On or prior to June 5, 2026 (or such later date as may be agreed to by the Borrowers and the Required DIP Lenders), the Obligors shall have entered into a key employee retention plan and/or a key employee incentive plan in form and substance acceptable to the Required DIP Lenders.~~ [reserved];
 - (u) at all times maintain adequate insurance coverage of such kind and in such amounts and against such risks as is customary for the business of the Obligors with financially sound and reputable insurers in coverage and scope acceptable to the Required DIP Lenders, acting reasonably, and, if requested by the Required DIP Lenders, cause the DIP Agent to be listed as ~~the~~a loss payee or additional insured (as applicable) on such insurance policies and notify the DIP Lenders of any claims or losses exceeding ~~\$1,000,000~~2,000,000. The Approved Cash Flow Forecast shall permit funding sufficient to pay the premiums in respect of such insurance;
 - (v) provide the DIP Agent, ~~and~~ and the DIP Lenders ~~and~~(by email to their counsel being sufficient) with draft copies of, and the opportunity to ~~comment on,~~review all motions, applications, proposed Court orders and other materials or documents that the Obligors intend to file in the CCAA Proceeding ~~at least five (5) Business Days~~ prior to ~~any~~ such filing or, ~~where it is not practically possible to do so within such time,~~ as soon as possible on or prior to the date on which such motion, application, proposed Court ~~order~~Order or other material or document is served on the service list in respect of the CCAA Proceeding;
 - (w) promptly provide notice to the DIP Agent, the DIP Lenders and their counsel, and keep them otherwise apprised, of any material developments in respect of any Material Contract, and of any material notices, orders, decisions, letters, or other documents, materials, information or correspondence received from any regulatory authority having jurisdiction over any Obligor, in each case which would have a material adverse effect on the Obligors' ability to perform under this Agreement and subject to any disclosure restrictions at Law or contained in any Court order or that, in the opinion of the Obligors (in consultation with the Monitor), each acting reasonably, are necessary to protect the

³⁰

Note to Draft: Deleted language does not permit the approve cash flow to roll.

Borrowers' restructuring process;

- (x) ~~promptly upon becoming aware thereof, provide details of any pending, or threatened claims, potential claims, litigation, actions, suits, arbitrations, other proceedings or notices received in respect of same, against any Obligor by or before any court, tribunal, Governmental Authority or regulatory body, which would be reasonably likely to result, individually or in the aggregate, in a judgment in excess of \$1,000,000; [reserved];³¹~~
- (y) take all commercially reasonable actions necessary or available to defend ~~the any~~ Court orders in the CCAA Proceedings from any appeal, reversal, ~~modification~~modifications, amendment, stay or vacating not expressly consented to in writing in advance by the Required DIP Lenders, to the extent relating to the DIP Facility or the DIP Charge;
- (z) continue business operations in all material respects in the ordinary course ensuring full utilization of the shipping window, including (i) ensuring fuel and other necessary products for operations are secured for continued operations and (ii) shipping out all ready-to-ship product for sale; and the Borrowers will not materially change employee head count or staffing requirements except as may be needed to optimize cost structure and operations subject to the Approved Cash Flow Forecast and the prior written consent of the Required DIP Lenders;
- (aa) maintain ~~and take all action to ensure~~ all material licences and permits required for the ~~foreseeable~~ operation of ~~its business that may be required will be acquired, procured, or otherwise obtained and remain~~the Business in the ordinary course during the term of the DIP Facility in full force and effect; ~~the Borrowers shall use commercially reasonable efforts to~~ defend each against revocation or amendment thereof; ~~and the Borrowers, upon request of the Required DIP Lenders, will take all action as may be needed to obtain and preserve the permit to allow for the transportation of up to 6 million tonnes per annum of ore; that would reasonably be expected to be material and adverse to the rights and remedies of the DIP Lenders pursuant to the terms hereof;~~³²
- (bb) ~~maintain in good repair, working order and condition all material properties and assets used or useful in the business of the Borrowers and make all such appropriate repairs thereto~~[reserved];³³
- (cc) ~~take all commercially reasonable efforts to disclaim all contracts~~

³¹ Note to Draft: Subsumed in (c).

³² Note to Draft: Borrower does not have a 6 mtpa permit.

³³ Note to Draft: Subsumed in (g).

- ~~that are not within the Approved Cash Flow Forecast~~[\[reserved\]](#)³⁴
- (dd) ~~act diligently and in good faith in the~~ [pursuit of the CCAA Proceeding](#)[\[reserved\]](#)³⁵
- (ee) ~~establish a risk management program for all business variables that can reasonably affect business operations in consultation with the Required DIP Lenders, and the DIP Lenders shall have a right of first refusal on any Hedging Obligations; and~~[\[reserved\]](#)
- (ff) ~~execute and deliver such loan and security documentation as may be reasonably requested by the DIP Agent or the Required DIP Lenders from time to time~~[\[reserved\]](#)
- (gg) ~~provide the DIP Agent and DIP Lenders and their advisors from time to time, on a confidential basis, with such information regarding the progress of the Obligors' pursuit of a Restructuring Transaction and the Steensby Expansion as may be reasonably requested by the Required DIP Lenders, subject to any disclosure restrictions contained in any Court order, or that, in the opinion of the Obligors (in consultation with the Monitor), each acting reasonably, are necessary to protect the Borrowers' restructuring process; and~~[\[reserved\]](#)³⁶; and
- (hh) [subject to Section 8](#), promptly pay all DIP Lender Expenses [to the DIP Lender](#) no less frequently than every two weeks, provided that the DIP Lenders shall use commercially reasonable efforts to provide reasonable estimates of such expenses for purposes of the Approved Cash Flow Forecast.

26. **Negative Covenants:**

Each Obligor covenants and agrees not to do the following, other than with the prior written consent of the Required DIP Lenders from and after the date hereof:

- (a) make any payment of principal or interest in respect of Indebtedness ~~other than with respect to the DIP Obligations or otherwise provided herein~~ or declare or pay any dividends or make any other distribution, in each case, except as expressly provided for in the Approved Cash Flow Forecast [\(subject to Permitted Variances\)](#);
- (b) except as set forth in any Court order that is acceptable to the Required DIP Lenders, ~~incur or permit to exist~~ [\(acting reasonably\) or any equipment lease or financing lease obligations covered by an Approved Cash Flow Forecast](#), incur any Indebtedness (including, without limitation, any capital lease obligation, equipment lease or financing lease obligation), ~~or provide or seek or support a motion by another party to provide~~

³⁴ [Note to Draft: Management, in consultation with the Monitor, will decide as to which contracts are disclaimed.](#)

³⁵ [Note to Draft: What does "in pursuit of the CCAA Proceeding" mean?](#)

³⁶ [Note to Draft: Information requests covered elsewhere.](#)

~~such Indebtedness~~ subject to Permitted Variances;

(c) [reserved];³⁷

(~~ed~~) except for the Priority Charges, the DIP Charge, and any Encumbrance existing prior to the date hereof and ranking subordinate to the DIP Charge, or as set forth in any Court order that is acceptable to the Required DIP Lenders, ~~create, permit to exist any Encumbrance, or provide or seek or support a motion by another party to provide an Encumbrance, upon any Collateral;~~

(acting reasonably), (~~d~~) create or permit to exist any ~~Liens~~ Encumbrances on any of its properties or assets other than the Permitted Liens;³⁸

(e) make any payments or use any monies (including, without limitation, proceeds of the DIP Facility) outside of the ordinary course of Business, unless provided for in the Approved Cash Flow Forecast (subject to Permitted Variances);

(f) make any investments in, ~~acquisitions of~~ or loans to or guarantee the Indebtedness or obligations of any other Person, entity or assets, except as expressly provided for in the Approved Cash Flow Forecast (subject to Permitted Variances);

(g) except between Obligors, enter into ~~or continue performance under~~ any transaction with any affiliate or any of its or its affiliates' respective direct or indirect equity holders, senior officers, directors, managers or employees, except in the ordinary course of business for a bona fide business purpose and not for any other purpose, except as expressly provided for herein or in the Approved Cash Flow Forecast;³⁹

(h) ~~enter into or continue performance under any transaction which does not provide for fair and reasonable terms which are no less favorable than those that would be obtained in arm's-length transactions of a similar type~~ [reserved];⁴⁰

(~~i~~) ~~notwithstanding anything in the Initial Cash Flow Forecast or any Approved Cash Flow Forecast, make any type of payment, or otherwise satisfy any claim, to any direct or indirect shareholder of the Borrowers arising under or related to any royalty agreement;~~

(i) [reserved];⁴¹

³⁷ Note to Draft: Covered by below.

³⁸ Note to Draft: The Company will be seeking KERP charges, but the amounts are still being determined.

³⁹ Note to Draft: As previously drafted, it conflicted with KERP, KEIP, etc.

⁴⁰ Note to Draft: Covered above.

⁴¹ Note to Draft: Royalties included in cash flow.

- (j) make any type of payment, or otherwise satisfy any claim, purported claim, liability, or other obligation, including without limitation of any pre-CCAA filing claim, that is not expressly provided for by the Approved Cash Flow Forecast (subject to Permitted Variances);
- (k) change its jurisdiction of incorporation or registered office;
- (l) change its name, fiscal year end or accounting policies or amend its organizational documents;
- (m) cease to carry on the Business as currently being conducted or materially change its operations or business practices;
- (n) sell, assign, lease, convey or otherwise dispose of or transfer any ~~of its~~ material property, assets or undertakings, except for iron ore product or disposition of obsolete, redundant or ancillary assets obsolete, redundant, worn out or ancillary assets or as may be approved by the Court ~~with the prior written consent of the Required DIP Lenders;~~
- (o) except as otherwise contemplated in any Court order ~~and approved by the Required DIP Lenders or as expressly, as~~ contemplated by the Approved Cash Flow Forecast or as contemplated hereby, establish or make any retention or bonus payments, increase compensation or severance entitlements or other benefits payable to directors, senior officers or senior management, or pay any bonuses whatsoever;
- (p) enter into any settlement agreement or agree to any settlement arrangements with any regulatory authority or in connection with any material litigation, arbitration, other investigations, proceedings or disputes or other similar proceedings which are threatened or pending against the Obligor;
- (q) enter into any amalgamation, reorganization, liquidation, dissolution, winding-up, merger or other similar transaction or series of transactions, allow any change of control to occur, or create or acquire any new subsidiary or become a general partner in any partnership that does not provide for the full repayment of the obligations under the DIP Facility;
- (r) amend, supplement, revoke, terminate or discharge or seek to amend, supplement, revoke, terminate or discharge, the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order, except to amend and restate the Amended and Restated Initial Order as may be permitted by this Agreement;
- (s) apply for or consent to, any Court order, or amendment or modification to an existing Court order which adversely affects or ~~could~~ would reasonably be expected to adversely affect the DIP Agent or the DIP Lenders hereunder;
- (t) file or support the confirmation of any plan of arrangement or

liquidation, in each case, that treats the DIP Obligations as "affected" without the consent of the Required DIP Lenders;

- (u) ~~(i) enter into any material transaction or material agreements or (ii) amend or modify any existing agreements or transaction terms, in each case, including royalty agreements, Alternative Offtake and Service Agreements, or similar agreements, without the consent of the Required DIP Lenders;~~[\[reserved\]](#);⁴²
- (v) ~~satisfy the delivery or other performance obligations and/or payment obligations under its contracts with Glencore plc or any of its affiliates, including, without limitation, any obligations to process or deliver iron ore;~~[\[reserved\]](#);
- (w) ~~take (or omit to take) any action to the extent such action could reasonably be expected to materially impair or otherwise adversely affect the ability of the Obligors to utilize any net operating losses, tax credit carry forwards, built-in losses, basis, deductions or other tax attributes or benefit, in each case, without the prior written consent of the Required DIP Lenders;~~[\[reserved\]](#);
- (x) ~~issue any Equity Securities, create any new class of Equity Securities, amend any terms of its existing Equity Securities, or consent to or take any steps in furtherance of the exercise of any conversion right under any Equity Securities issued by it, other than in connection with a Restructuring Transaction approved pursuant to a Court order;~~[\[reserved\]](#);
- (y) seek, obtain, support, make or permit to be made any Court order or any change, amendment or modification to any Court order that would [reasonably be expected to](#) materially affect the rights or protections of the DIP Agent or the DIP Lenders under or in connection with the DIP Facility or the DIP Charge, except with the prior written consent of the Required DIP Lenders, in their sole discretion;
- (z) seek or consent to the lifting of the stay of proceedings in the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order, as applicable, in favour of the Borrowers, or seek or consent to the appointment of a receiver or trustee in bankruptcy or any similar official in any jurisdiction;
- (aa) ~~make any changes to the composition of the board of directors of the Borrowers (including the addition, removal or replacement of directors, other than a resignation by a director), other than pursuant to a Court order and with the Required DIP Lenders' approval (in their sole discretion);~~[\[reserved\]](#);
- (bb) ~~negotiate or enter into any other interim financing facility;~~

⁴²

[Note to Draft: Covenant too broad.](#)

~~or~~⁴³ [reserved]; ⁴⁴ or

- (cc) ~~pay any professional or advisory fees (including any legal fees or expenses) of any other Person (other than the Borrowers, the DIP Agent, the DIP Lenders and the Monitor) that are not provided for in the Approved Cash Flow Forecast, except pursuant to the terms of a binding support agreement with such Person with respect to a Restructuring Transaction that is acceptable to the Required DIP Lenders, or as may otherwise be agreed to by the Required DIP Lenders and the Borrowers (in consultation with the Monitor).~~ [reserved].⁴⁴

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

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

- (a) the deadline for the commencement of the SISP will be no later than 3 months after the issuance of the Second Amended and Restated Initial Order;
- (b) the deadline for the receipt of first round bids in connection with the SISP will be no later than 6 months after the issuance of the Second Amended and Restated Initial Order;
- (c) the Borrowers shall complete all site visits for bidders prior to October 31, 2026; and
- (d) the final deadline for the closing of a transaction resulting from the SISP will be no later than ~~42~~¹⁸ months after the commencement of the SISP,

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

28. **Events of Default:**

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

⁴³ Note to Draft: Limits on Indebtedness are already imposed elsewhere.

⁴⁴ Note to Draft: There are already covenants that require payments to be made only in accordance with the approved cash flow

- (a) any Court order is issued, dismissed, stayed, reversed, vacated, amended or restated and such issuance, dismissal, stay, reversal, vacating, amendment or restatement which (i) stays, reverses, vacates or otherwise modifies this Agreement or (ii) adversely affects or would reasonably be expected to adversely affect the ~~interest of the DIP Agent or DIP Lenders in a material manner~~enforceability of any material term of this Agreement or the DIP Charge, unless the DIP Agent or Required DIP Lenders, as applicable, have given their prior written consent thereto, including the issuance of a Court order:
- (i) appointing a receiver and manager, receiver, interim receiver or similar official in respect of an Obligor;
 - (ii) terminating, lifting or amending the stay imposed within the CCAA Proceeding in a manner which, in the opinion of the Required DIP Lenders, acting reasonably, is materially prejudicial to the DIP Lenders;
 - (iii) granting any other claim or Encumbrance of equal or priority status to that of the DIP Charge, other than the Priority Charges or the Priority Payables; or
 - (iv) prejudicially affecting the DIP Agent, DIP Lenders or the Collateral;
- (b) failure of an Obligor to diligently oppose any party that brings an application or motion for any of the relief set out in subsection 27(a) above and/or the failure to secure the dismissal of such motion or application within 30 days from the date that such application or motion is brought (provided no affirmative Court order is issued on such motion or application during such period);
- (c) the CCAA Proceeding is terminated or converted to bankruptcy proceedings;
- (d) failure of the Borrowers to pay (i) principal, interest or other amounts arising hereunder when due pursuant to this Agreement ~~or any other document entered into in connection herewith~~, or (ii) any reasonable and documented ~~third-party expenses~~DIP Lender Expenses payable to the DIP Agent, the DIP Lenders or the Fronting Lender within ~~twofive~~ (25) Business Days of being invoiced therefor, provided that such invoices are delivered no more frequently than every two weeks, and such failure, in the case of each of items (i) and (ii), remains unremedied for more than two (2) Business Days;
- ~~(e) any Obligor ceases to carry on or maintain the Business or its assets in the ordinary course of the Business in compliance with the covenants contained in this Agreement, except where such cessation is otherwise consented to in advance in writing by the Required DIP Lenders;~~
- (e) [reserved];

- (f) any representation or warranty made or given hereunder by any Obligor shall be incorrect or misleading in any material respect when made;
- (g) any material violation or breach of any court order by an Obligor;
- (h) material failure of an Obligor to (x) perform or comply with any term or covenant of this Agreement and such failure shall continue ~~uncured~~ for more than five (5) Business Days after the earlier to occur of (i) any one or more of the Obligors having knowledge of such Event of Default or (ii) written notice of such Event of Default from the DIP Agent to the Borrowers, in either case, at the direction of the Required DIP Lenders to the Borrowers or (y) achieve the SISP milestones in accordance with section 26;
- (i) any proceeding, motion or application is commenced or filed by the Obligors, or if commenced by another party, is supported or otherwise consented to by the Obligors, seeking the invalidation, subordination or other challenging of the terms of the DIP Facility, the DIP ~~Lenders'~~ Charge, or this Agreement;
- (j) ~~an Obligor makes any payments of any kind not permitted by this Agreement, the Approved Cash Flow Forecast (subject to Permitted Variances) or any order of the Court or any failure to remain in compliance with the Approved Cash Flow Forecast, subject to Permitted Variances;~~[reserved].⁴⁵
- (k) any plan is filed or sanctioned by the Court in a form and in substance that is not acceptable to the Required DIP Lenders if such plan does not either provide for the repayment of the obligations under the DIP Facility in full by the Maturity Date, or designate the DIP Lenders as unaffected by such plan;
- (l) any Obligor shall file a motion seeking, or take any action supporting a motion seeking, or the Court shall issue, an order, authorizing the sale or liquidation of its assets unless, in each case, either (i) the Required DIP Lenders consent to the filing of such motion, (ii) it relates to the SISP, or (ii) the Court order approving such sale or liquidation contemplates payment in full in cash of all the DIP Obligations;
- (m) ~~any event or occurrence that materially adversely affects the Obligors, their business or their assets, in each case taken as a whole, as determined by the Required DIP Lenders in their sole discretion~~[reserved].⁴⁶
- (n) ~~a default (other than a default resulting from the insolvency of the Borrowers or the commencement of the CCAA Proceeding by the Borrowers, including, for greater certainty, as a result of~~

⁴⁵ Note to Draft: Subsumed by (h).

⁴⁶ Note to Draft: The following are subjective and hair triggered.

- ~~failure to pay pre-filing amounts as a result of the commencement of the CCAA Proceeding) under any Material Contract, or any material amendment of any Material Contract unless agreed to by the Required DIP Lenders in writing; [reserved];~~
- (o) any change of control of any one or more of the Obligors that does not provide for the full repayment of the obligations under the DIP Facility, without the consent of the Required DIP Lenders;
- (p) any Authorization issued to any Obligor is terminated, revoked, or suspended and such termination, revocation, or suspension has or ~~could~~would reasonably be expected to have a material adverse effect on the operations, ~~financial condition,~~ and/or ~~future prospects~~ financial condition of the Obligors taken as a whole;
- (q) ~~any Obligor does not comply with any term or condition of the SISP, including without limitation not satisfying any milestone action required to be completed in the SISP by the date on which such milestone action item is required to be completed under the SISP and remaining in compliance with such action item thereafter, as applicable; [reserved];⁴⁷~~
- (r) ~~the priority of the Liens as contemplated hereby created pursuant to or under the DIP Security in favor of the DIP Agent for the benefit of the DIP Lenders is varied without the consent of the DIP Agent at the direction of the DIP Lenders or any of such Liens does not have the priority required hereunder for any reason in any jurisdiction; [reserved];~~
- (s) ~~any Obligor commences an action or any other proceeding in any proceeding or in any other court (i) to obtain any form of relief against the DIP Agent or DIP Lenders (or any one or more of them) including without limitation a proceeding to recover damages from the DIP Agent or the DIP Lenders or to obtain payment of any amounts purported to be owing by the DIP Agent or the DIP Lenders (or any one or more of them) to any Obligor if the DIP Agent or the DIP Lenders (or any one or more of them) disputes any of the same or (ii) to challenge in any way the enforceability of this Agreement or any document entered in connection herewith or the Liens granted under or pursuant to the DIP Security; [reserved];⁴⁸~~
- (t) any Obligor seeks, or consents to, any amendment of the SISP without the prior written consent of the DIP Agent at the direction of the ~~Supermajority~~Required DIP Lenders;

⁴⁷ Note to Draft: Deleted language covered by (h).

⁴⁸ Note to Draft: This would prevent borrowers from affording themselves protection against a defaulting or breaching lender.

- (u) the expiry without further extension of the stay of proceedings in the CCAA Proceeding;
- (v) ~~the denial or purported repudiation by any Obligor of the legality, validity, binding nature, or enforceability of this Agreement or any document entered into in connection herewith, or any Obligor commencing any action or proceeding in any proceeding for a declaration or order to such effect;~~[\[reserved\]](#);
- (w) ~~this Agreement or any other document entered into in connection herewith (and for certainty including without limitation the DIP Security) ceases to be enforceable~~[\[reserved\]](#);
- (x) ~~except as stayed by order of the Court, the entry of one or more final judgments, writs of execution, garnishments or attachments representing a claim or claims in excess of \$100,000 or the equivalent amount thereof in any other currency, in the aggregate, against any Obligor or the property and assets of any Obligor which are subject to the Liens in favor of the DIP Agent for the benefit of the DIP Lenders that is not released, bonded, satisfied, discharged, vacated, stayed or accepted for payment by an insurer within 30 days after its or their entry, commencement or levy;~~[\[reserved\]](#)⁴⁹;
- (y) ~~any Obligor shall enter into or become liable under any other debtor in possession financing facility~~[\[reserved\]](#);
- (z) ~~any Obligor shall incorporate, create, or organize any new subsidiaries after the date of this Agreement; or~~[\[reserved\]](#);
- (aa) ~~(i) any changes by any Obligor to the composition of its board of directors or (ii) any Obligor retains or appoints a chief restructuring officer or Person in a similar role, in each case without the prior consent of the Required DIP Lenders or a Court order.~~[\[reserved\]](#);
- (bb) (i) a Variance Report or Updated Cash Flow Forecast is not delivered within ~~two~~[five](#) (25) Business Days of the day on which such Variance Report or Updated Cash Flow Forecast is required to be delivered pursuant to this Agreement, or (ii) there shall exist a cumulative negative variance in excess of the Permitted Variance for the period from the date of the Initial Order to the last day of the applicable testing period, measured relative to the Approved Cash Flow Forecast then in effect;~~or~~;
- (cc) ~~any Court order is issued pointing a chief restructuring advisor or similar role, or expending the role of the Monitor, in each case, without the consent of the Required DIP Lenders.~~[\[reserved\]](#);

[provided that, except for \(a\), where no cure period is provided in the](#)

⁴⁹

Note to Draft: These are too broad and hair trigger, and some are already covered (e.g., a through a covenant not to incur Indebtedness). They will not permit the Borrowers to operate the business in the ordinary course in a debtor-in-possession context.

foregoing, it shall not be an Event of Default until fifteen (15) days have elapsed since the Borrowers have received written notice from the DIP Agent of the occurrence of the putative Event of Default.

29. **Remedies:**

Upon the occurrence and continuance of an Event of Default, the DIP Agent (acting at the direction of the Required DIP Lenders) or the Required DIP Lenders may elect on prior written notice to the Borrowers and the Monitor to:

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

The DIP Agent (acting at the direction of the Required DIP Lenders) may use (for certainty, on the instructions of the Required DIP Lenders in accordance with the definition thereof and section ~~33~~34) any or all of the DIP Obligations as a credit bid and/or to pay for some or all of the purchase price (including any deposit payable in connection with such transaction) in connection with (a) any purchase of some or all of the properties and assets of the Borrowers and the Guarantors (or any one or more of them), (b) any Restructuring Transaction agreed to by the Borrowers (in consultation with the Monitor) and the Required DIP Lenders, in each case subject to any Court order and such reasonable terms and conditions as may be required in the opinion of the Borrowers (in consultation with the Monitor), each acting reasonably, to protect the Borrowers' restructuring process.

30. **Taxes:**

All payments by an Obligor under this Agreement, including any payments required to be made from and after the exercise of any remedies available to the DIP Agent and/or the DIP Lenders upon the occurrence and continuance of an Event of Default, shall be made free and clear of, without reduction for or on account of, any present or future Taxes; provided, however, that if any Taxes are required by applicable Law to be withheld ("**Withholding Taxes**") from any amount payable to the DIP Lenders under this Agreement, the amounts so

payable to the DIP Lenders shall be increased to the extent necessary to yield to the DIP Lenders on a net basis after payment of all Withholding Taxes, the amount payable hereunder at the rate or in the amount specified hereunder and the Obligors shall provide evidence satisfactory to the Required DIP Lenders that the Taxes have been so withheld and remitted.

If the Borrowers pay an additional amount to the DIP Lenders to account for any Withholding Taxes, the DIP Lenders shall reasonably cooperate with the Borrowers to obtain a refund of the amounts so withheld, including filing income tax returns in applicable jurisdictions, claiming a refund of such Withholding Tax and providing evidence of entitlement to the benefits of any applicable tax treaty. The amount of any refund so received, and interest paid by the tax authority with respect to any refund, shall be paid over by the DIP Lenders to the Borrowers promptly. If reasonably requested by the Borrowers, the DIP Lenders shall apply to the relevant taxing authority to obtain a waiver from such withholding requirement, and the DIP Lenders shall cooperate with the Borrowers and assist the Borrowers to minimize the amount of Withholding Tax required, in each case at the Borrowers' sole expense.

31. **Termination by Borrowers**

The Borrowers shall be entitled to terminate this Agreement upon notice to the DIP Lenders ~~at:~~ (a) in the event that the DIP Lenders have failed to fund any Advance in full when required to do so under this Agreement or (b) any time following the ~~indefeasible~~ payment in full⁵⁰ in immediately available funds of all of the outstanding DIP Obligations. Effective immediately upon such termination, all obligations of the Borrowers and the DIP Lenders under this Agreement shall cease, except for those obligations that explicitly survive termination. For greater certainty, all outstanding DIP Obligations in respect of all Advances funded prior to such termination shall become immediately due and payable concurrently with such termination and the DIP Lenders shall not be required to make any further extensions of credit under this Agreement.

32. **Further Assurances:**

The Obligors shall, at their own expense, from time to time do, execute and deliver or will cause to be done, executed and delivered, all such further acts, documents (including, without limitation, certificates, declarations, affidavits, reports and opinions) as the Required DIP Lenders may reasonably request for the purpose of giving effect to this Agreement.

33. **Entire Agreement:**

This Agreement constitutes the entire agreement between the parties related to the subject matter hereof. To the extent there is any

⁵⁰ Note to Draft: The Borrowers must be released upon "full payment" of the obligations – not indefeasible payment.

inconsistency between this Agreement and any other documents entered into in connection herewith, this Agreement shall prevail.

34. **Amendments
and Waivers:**

No waiver or delay on the part of the DIP Lenders in exercising any right or privilege hereunder will operate as a waiver hereof or thereof unless made in writing and delivered in accordance with the terms of this Agreement.

All consents, waivers or amendments to or in connection with this Agreement and the DIP Facility and the transactions contemplated hereby or thereby must be in writing and if approved in writing by the DIP Agent at the direction of the Required DIP Lenders shall be binding on all of the DIP Lenders including those Lenders which did not execute any such consent, waiver or amendment; and any matters, documents or other things required to be acceptable or satisfactory to the DIP Lenders are and shall be deemed to be acceptable and satisfactory to all the DIP Lenders if acceptable or satisfactory to the DIP Agent at the direction of the Required DIP Lenders; provided that and for certainty, no consent, waiver or amendment shall be binding on the DIP Lenders unless each of the DIP Lenders executes a consent, waiver or amendment for any of the following matters: (a) increase the amount of any Lender's DIP Facility commitment amount; (b) ~~change to the Maturity Date;~~ (c) ~~postpone or delay the date for payment of any principal, interest or other DIP Obligations;~~ (d) reduce the principal amount owing by the Borrowers or the rate of interest or any other fees applicable to amounts owing or to become owing hereunder or under the other documents in connection herewith; (e) change the pro rata commitments of any of the DIP Lenders in connection with the DIP Facility; (f) amend this section 3334, the definition of "Required DIP Lenders", the definition of "Supermajority DIP Lenders" or any provision providing for consent or other action by all or any specific percentage or portion of the DIP Lenders; (g) discharge any Obligor from its payment obligations under hereunder or under any other document in connection herewith or release any DIP Security except as may be expressly provided for in this Agreement; or (h) amend the terms and conditions of the application of proceeds of any repayments or the sharing of payments; provided further that any consent, amendment, waiver or other modification with respect to this Agreement that would adversely and disproportionately modify the rights of any DIP Lender (in its capacity as such) under the DIP Facility compared to other DIP Lenders shall require the prior written consent of each such affected DIP Lender. Notwithstanding anything to the contrary contained herein, any consent, amendment, waiver or other modification that subordinates, or has the direct or indirect effect of subordinating, (x) any DIP Obligations in right of payment to any other Indebtedness for borrowed money or (y) any ~~Liens~~Encumbrances securing the DIP Obligations to any ~~Liens~~Encumbrances securing any other Indebtedness for borrowed money, in each case, shall require the prior written consent of the Supermajority DIP Lenders.

In addition, the Required DIP Lenders shall consult all other DIP

Lenders in connection with any consent, waiver, amendment or other modification requiring the consent of the Required DIP Lenders.

35. **Severability:** Any provision in this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.
36. **No Third Party Beneficiary:** No Person, other than the Obligors and the DIP Lenders are entitled to rely upon this Agreement and the parties expressly agree that this Agreement does not confer rights upon any party not a signatory hereto.
37. **Counterparts and Facsimile Signatures:** This Agreement may be executed in any number of counterparts delivered by e-mail, including in PDF format, each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same instrument. Any party may execute this Agreement by signing any counterpart of it.
38. **Assignment:** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. Upon the Borrowers' acceptance of this Agreement, this Agreement shall be amended and restated to include provisions pursuant to which DIP Lenders may assign DIP Loans and/or sell participations in DIP Loans. ~~Any DIP Lender may assign its rights and obligations under the DIP Facility, in whole or in part, to any Person acceptable to such DIP Lender, in its sole and absolute discretion, in each case subject to Borrower' consent, not to be unreasonably withheld provided that no Event of Default has occurred and is then continuing.~~
39. **Notices:** Any notice, request or other communication hereunder to any of the parties shall be in writing and be well and sufficiently given if delivered personally or sent by electronic mail to the attention of the Person as set forth below:

in the case of a notice to the Obligors at:

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

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

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

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

Attention: Natalie Renner and Rob Nicholls

Email: nrenner@dwpv.com and rnicolls@dwpv.com

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

■

Attention: ■

Email: ■

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

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

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

and

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

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

and

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

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

and

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

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

In either case, with a copy to the Monitor:

FTI Consulting Canada Inc.

Attention: Jeffrey Rosenberg

Email: Jeffrey.rosenberg@fticonsulting.com

With a copy to, which shall not constitute notice:

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

Attention: Marc Wasserman and Michael De Lellis

Email: mwasserman@osler.com and mdelellis@osler.com

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

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

40. **Governing Law and Jurisdiction:** This Agreement shall be governed by, and construed in accordance with, the Laws of the Province of Ontario and the federal Laws of Canada applicable therein.
41. **Definitions:** For the purposes of this Agreement, unless context otherwise requires, the following terms have the respective meanings set out below, and grammatical variations of such terms have corresponding meanings:
- "**Advance**" has the meaning given to that term in section 8;
- "**Advance Notice**" has the meaning given to that term in section 8;
- "**Affiliate**" of any Person means, at the time such determination is being made, any other Person controlling, controlled by or under common control with such first Person, where "control" means the possession, directly or indirectly, of the power to direct the management and policies of such Person, whether through the ownership of voting securities or otherwise;
- "**Agreement**" means this Agreement, including all Schedules, as it may be modified, amended, revised, restated, replaced, supplemented or otherwise changed from time to time and at any time hereafter;
- "**Amended and Restated Initial Order**" means the order of the Court

entered on May 25, 2026;

~~"Alternative Offtake and Service Agreements" means offtake, service or other agreements in respect of the business of the Borrowers;~~

"Approved Cash Flow Forecast" has the meaning given to that term in section 14;

"Authorization" means, with respect to any Person, any order, permit, approval, consent, waiver, licence or similar authorization of any Governmental Authority related to the Collateral or the Business;

"Benefits Agreement" means the impact benefits agreement between BIM Corp. and the Qikiqtani Inuit Association dated September 6, 2013, as amended on October 22, 2018, and as may be further amended, supplemented or amended and restated from time to time;

"Borrowers" has the meaning given to that term in the recitals;

"Borrowers' Account" has the meaning given to that term in section 19;

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

"Business Day" means any day other than a Saturday, Sunday or statutory holiday in the Province of Ontario [or in New York, New York](#);

"CCAA" has the meaning given to that term in the recitals;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

"EDC" means Export Development Canada;

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

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

"Event of Default" has the meaning given to that term in section 27;

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

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

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

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

"Indebtedness" of any Person means, at any date, without duplication, (a) all obligations of such Person for borrowed money, including by way of overdraft and drafts or orders accepted as representing extensions of credit, (b) all obligations of such Person evidenced by bonds, debentures, the face amount of all letters of credit, letters of guarantee and similar instruments, notes or other similar instruments, (c) all indebtedness, liabilities and obligations secured by an Encumbrance on any asset of such Person, whether or not the same is otherwise indebtedness, liabilities or obligations of such Person, (d) all indebtedness, liabilities and obligations of others which is, directly or indirectly, guaranteed by such Person or which such Person has agreed (contingently or otherwise) to purchase or otherwise acquire, (e) all indebtedness, liabilities and obligations in respect of financial instruments which are classified as a liability on the balance sheet of such Person, and (f) all obligations of such Person to otherwise assure a creditor against loss (for certainty, Hedging Obligations incurred by an Obligor in the ordinary course shall not be considered Indebtedness for purposes of this Agreement);

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

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

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

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

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

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

"Interest Payment Date" has the meaning given to that term in section 14;

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

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

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

"Law" means any federal, provincial, county, territorial, district, municipal, local or foreign, statute, ordinance, regulation, by-law, rule, code, treaty or rule of common law or otherwise of, or any order,

judgment, injunction, decree or similar authority enacted, issued, promulgated, enforced or entered by, any Governmental Authority;

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

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

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

~~"**Stated Maturity Date**" has the meaning given to that term in section 2020;~~

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

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

"**Permitted Liens**" means (i) the Permitted Priority Liens; (ii) the DIP Charge; (iii) any charges created under the Initial Order or other Court order subsequent and subordinated in priority to the DIP Charge; (iv) Liens Encumbrances existing prior to the ~~Filing Date;~~ and filing date; (v) inchoate statutory Liens Encumbrances arising after the ~~Filing Date~~ filing date in respect of any accounts payable arising after the ~~Filing Date~~ filing date in the ordinary course of business; (vi) miner's liens incurred in the ordinary course of business; and (vii) Liens in the ordinary course of the business in relation to obligations that do not secured Indebtedness;

"**Permitted Priority Liens**" means (i) the Priority Charges; (ii) any Lien Encumbrance in respect of amounts payable by the Borrowers for wages, vacation pay, employee deductions, sales tax, excise tax, tax payable pursuant to Part IX of the *Excise Tax Act* (Canada) (net of input credits), income tax and workers compensation claims, in each case solely to the extent such amounts are given priority by applicable Law and only to the extent that the priority of such amounts has not been subordinated to the DIP Charge granted by the Court; and (iii) such other Liens Encumbrances existing as of the Filing Date that have not been subordinated to the DIP Charge granted by the Court.

"**Permitted Variance**" means, for each Testing Period, ~~(A) a negative variance of (i) not more than 10.0% of projected receipts for such Testing Period; (ii) more than 10.0% of projected receipts for the 10% relative to the aggregate net cash flow on a cumulative period basis commencing on the date of the initial Approved Cash Flow Forecast and ending on the last day of such Testing Period; (iii) more than 10.0% of projected disbursements for such Testing Period; and (iv) more than 10.0% of projected disbursements for the cumulative period commencing on the date of the initial Approved Cash Flow Forecast and ending on the last day of such Testing Period or (B) to the extent any Approved Cash Flow Forecast sets forth a permitted variance with~~

~~respect to a specific line item, such variance as specified therein;~~ provided that for the purposes of determining any net cash flow, the fees, costs and expenses payable to the Monitor, the Obligors, the DIP Lenders, the DIP Agent, the Fronting Lender or their respective advisors shall be excluded from such net cash flow;

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

"Pre-Approved Steensby CapEx" means ■;

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

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

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

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

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

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

"Senior Agents" means, collectively, Alter Domus (US) LLC, as

administrative agent and Wilmington Trust, National Association, as the collateral agent, in each case, under the Senior Credit Agreement;

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

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

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

"SISP" has the meaning given to that term in section 26;

"SISP Milestones" has the meaning given to that term in section 26;

"~~Steensby Expansion~~Stated Maturity Date" has the meaning given to that term in section ~~23~~20;

"~~Subsequent Advance~~Steensby Expansion" has the meaning given to that term in section ~~8~~14;

"~~Supermajority DIP Lender Budget Consent Right~~Subsequent Advance" has the meaning given to that term in section ~~44~~8;

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

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

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

"Variance Report" means a report ~~with calculations in form and substance satisfactory to the Required DIP Lenders and the Monitor~~

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

"Withholding Taxes" has the meaning given to that term in section 29.

[Signature page follows]

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

BORROWERS:

**BAFFINLAND IRON MINES
CORPORATION**

by _____

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

by _____

GUARANTORS:

NUNAVUT IRON ORE, INC.

by _____

12334992 CANADA INC.

by _____

SCHEDULE A
DIP FACILITY COMMITMENTS

DIP Lender	DIP Commitment	Notice Information
Brigade Capital Management, LP	\$22,000,000	
Citadel Advisors LLC	\$8,000,000	
Polen Capital Credit, LLC	\$45,000,000	
Opps XII BLIM Holdings, L.P.	\$180,000,000	Oaktree Capital Management 555 South Flor Street, 36 th Floor Los Angeles, CA 90071 Attention: David Nicoll Email: dnicoll@oaktreecapital.com
Hartree Partners, LP	\$45,000,000	Hartree Partners, LP 1185 Avenue of the Americas, New York, NY 10036 Attention: Scott Potolsky Email: HMF1-notices@hartreepartners.com CC: legalNY@hartreepartners.com
Total.....	\$300,000,000	

SCHEDULE B

APPROVED CASH FLOW FORECAST

~~SCHEDULE C~~

~~LOAN GUARANTY~~

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

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

~~(c) **No Discharge or Diminishment of Guaranty.**~~

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

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

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

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

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

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

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

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

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

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

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

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

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

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

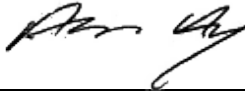
~~(g) Reinstatement; Stay of Acceleration. If at any time any payment of any portion of the Guaranteed Obligations is rescinded or must otherwise be restored or returned upon the~~

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

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

Summary report: Litera Compare for Word 11.14.1.3 Document comparison done on 2026-05-28 8:15:18 PM	
Style name: Davies (with strikethrough for delete)	
Intelligent Table Comparison: Active	
Original filename: Secured Lenders - Original Term Sheet.docx	
Modified filename: 4143-3277-0665.7 OTHT AGH DIP Term Sheet.docx	
Changes:	
Add	518
Delete	366
Move From	108
Move To	108
Table Insert	0
Table Delete	0
Table moves to	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	1100

This is Exhibit "I" referred to in the Affidavit of Joshua Gordon, affirmed June 4, 2026. The affiant and I both were located in the City of Toronto, in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

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

From: Philip Yang

Date: May 30, 2026 at 4:26:19 PM EDT

To: Maria Konyukhova , "Renner, Natalie" , idizengoff@akingump.com, mlahaie@akingump.com, lcharleston@akingump.com, nethridge@akingump.com, "Jacobs, Ryan" , "Wunder, Michael" , Logan Copen , "Brian Bolin (bbolin@paulweiss.com)" , jgraham@paulweiss.com

Cc: Project Canary , Greg Watson , "Rosenberg, Jeffrey" , "Cutler, Steven" , "Hyman, Scott" , "Nicholls, Robert"

Subject: RE: Project Canary - Confidential - DIP Term Sheet - OTH AGH

CAUTION: External Email

All,

Please see attached letter from Maria Konyukhova of today's date, enclosing the revised DIP Term Sheet with a blackline to the markup that we received from the Company.

Best,

Philip Yang

Direct: +1 416 869 5593

Mobile: +1 416 476 6195

Email: PYang@stikeman.com

From: Maria Konyukhova

Sent: Saturday, May 30, 2026 2:32 PM

To: Renner, Natalie ; Philip Yang ; idizengoff@akingump.com; mlahaie@akingump.com; lcharleston@akingump.com; nethridge@akingump.com; rjacobs@cassels.com; mwunder@cassels.com; Logan Copen ; Brian Bolin (bbolin@paulweiss.com) ; jgraham@paulweiss.com

Cc: Project Canary ; Greg Watson ; Rosenberg, Jeffrey ; Cutler, Steven ; Hyman, Scott ; Nicholls, Robert

Subject: Re: Project Canary - Confidential - DIP Term Sheet - OTH AGH

Natalie - we are working as quickly as we can within the time constraints imposed on us by the Company's decisions. You have had our DIP proposal since Monday at approximately 5pm and yet we did not receive your proposed revisions until after 8pm on Thursday. A requested turnaround of less than 48 hours (including weekend hours) for a USD\$300M financing is neither reasonable nor practical.

In addition, we received additional information on the Steensby expenses on Friday at 10pm despite us having requested that information at least as early as Wednesday.

That being said, we are working as hard as we can to and expect to deliver our revised proposal to you shortly and encourage the Company to be reasonable in their assessment of the bids on their merits rather than strict compliance with unreasonable deadlines.

Maria Konyukhova
Direct: 416-869-5230
Mobile: 416-319-1632
Email: mkonyukhova@stikeman.com

From: Renner, Natalie <nrenner@dwpv.com>

Sent: Saturday, May 30, 2026 2:04 PM

To: Maria Konyukhova <mkonyukhova@stikeman.com>; Philip Yang <pyang@stikeman.com>; idizengoff@akingump.com <idizengoff@akingump.com>; mlahaie@akingump.com <mlahaie@akingump.com>; lcharleston@akingump.com <lcharleston@akingump.com>; nethridge@akingump.com <nethridge@akingump.com>; rjacobs@cassels.com <rjacobs@cassels.com>; mwunder@cassels.com <mwunder@cassels.com>; Logan Copen <lcopen@stikeman.com>; Brian Bolin (bbolin@paulweiss.com) <bbolin@paulweiss.com>; jgraham@paulweiss.com <jgraham@paulweiss.com>

Cc: Project Canary <projectcanary@osler.com>; Greg Watson <greg.watson@fticonsulting.com>; Rosenberg, Jeffrey <jeffrey.rosenberg@fticonsulting.com>; Cutler, Steven <SCutler@dwpv.com>; Hyman, Scott <SHyman@dwpv.com>; Nicholls, Robert <rnicholls@dwpv.com>

Subject: RE: Project Canary - Confidential - DIP Term Sheet - OTHT AGH

Hi Maria,

All bidders were treated equally and given the same 2 p.m. deadline. As you know, we have already extended the original deadline of May 20, 2026 to afford participants with as much time as reasonably possible to put their best foot forward and submit updated bids.

In the interest of maintaining the integrity and fairness of the process for all parties, we would encourage you to submit your bid as close to the 2 p.m. deadline as possible.

Thanks

Natalie

Natalie RennerShe, Her

T416.367.7489

nrenner@dwpv.com

Bio|vCard

DAVIES

155 Wellington Street West

Toronto, ON M5V 3J7

dwpv.com

DAVIES WARD PHILLIPS & VINEBERG LLP

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From: Maria Konyukhova <mkonyukhova@stikeman.com>

Sent: May 30, 2026 1:28 PM

To: Renner, Natalie <nrenner@dwpv.com>; Philip Yang <pyang@stikeman.com>; idizengoff@akingump.com; mlahaie@akingump.com; lcharleston@akingump.com; nethridge@akingump.com; rjacobs@cassels.com; mwunder@cassels.com; Logan Copen <lcopen@stikeman.com>; Brian Bolin (bbolin@paulweiss.com) <bbolin@paulweiss.com>;

jgraham@paulweiss.com

Cc: Project Canary <projectcanary@osler.com>; Greg Watson <greg.watson@fticonsulting.com>; Rosenberg, Jeffrey <jeffrey.rosenberg@fticonsulting.com>; Renner, Natalie <nrenner@dwpv.com>; Cutler, Steven <SCutler@dwpv.com>; Hyman, Scott <SHyman@dwpv.com>; Nicholls, Robert <rnicholls@dwpv.com>

Subject: Re: Project Canary - Confidential - DIP Term Sheet - OTHT AGH

External Email / Courriel externe

Thank you for providing us the turn of the DIP TS. We are currently working on our proposed revisions to same and will be submitting a revised TS. As a result of the compressed timelines, we may not be able to do so by 2pm and are working to submit our revised proposal as soon as possible.

Maria Konyukhova

Direct: [416-869-5230](tel:416-869-5230)

Mobile: [416-319-1632](tel:416-319-1632)

Email: mkonyukhova@stikeman.com

From: Renner, Natalie <nrenner@dwpv.com>

Sent: Thursday, May 28, 2026 8:23 PM

To: Philip Yang <pyang@stikeman.com>; idizengoff@akingump.com <idizengoff@akingump.com>; mlahaie@akingump.com <mlahaie@akingump.com>; lcharleston@akingump.com <lcharleston@akingump.com>; nethridge@akingump.com <nethridge@akingump.com>; rjacobs@cassels.com <rjacobs@cassels.com>; mwunder@cassels.com <mwunder@cassels.com>; Maria Konyukhova <mkonyukhova@stikeman.com>; Logan Copen <lcopen@stikeman.com>; Brian Bolin (bbolin@paulweiss.com) <bbolin@paulweiss.com>; jgraham@paulweiss.com <jgraham@paulweiss.com>

Cc: Project Canary <projectcanary@osler.com>; Greg Watson <greg.watson@fticonsulting.com>; Rosenberg, Jeffrey <jeffrey.rosenberg@fticonsulting.com>; Renner, Natalie <nrenner@dwpv.com>; Cutler, Steven <SCutler@dwpv.com>; Hyman, Scott <SHyman@dwpv.com>; Nicholls, Robert <rnicholls@dwpv.com>

Subject: Project Canary - Confidential - DIP Term Sheet - OTHT AGH

All,

Please find attached a turn of the DIP Term Sheet, with a blackline against the version you circulated. Please return your best and final terms by no later than **Saturday, May 30, 2026 at 2:00 PM (Toronto time)**. This will be the final set of terms that will be considered by the Debtors before they identify a successful party to move forward to finalize a definitive agreement.

The Debtors remain available to address any questions you have in advance of Saturday. However, please note that the term sheet will not be subject to negotiation during any such discussions. If you would like assistance in arranging a meeting, please let us know.

Best regards,

Natalie

Natalie RennerShe, Her

[T416.367.7489](tel:416.367.7489)

nrenner@dwpv.com

[Bio](#) | [vCard](#)

DAVIES

155 Wellington Street West
Toronto, ON M5V 3J7
dwpv.com

DAVIES WARD PHILLIPS & VINEBERG LLP

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Maria Konyukhova
Direct: +1 416 869 5230
Mobile: +1 416 319 1632
mkonyukhova@stikeman.com

May 30, 2026

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

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

and

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

and

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

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

Dear Sirs and Mesdames:

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

We are counsel to Oaktree Capital Management, L.P. and Hartree Partners, LP (together, the “**First Secured Lenders**”), the lenders under the Credit Agreement dated May 26, 2017 (as amended from time to time, the “**Credit Facility**”). Capitalized terms used herein and not otherwise defined have the meanings ascribed to such terms in our letter addressed to the Monitor dated May 25, 2026.

We are in receipt of the Company’s comments provided on May 28, 2026, to the CCAA DIP that was submitted by the Senior Secured Lenders on May 25, 2026. In accordance with the Company’s request to the Senior Secured Lenders to submit a revised CCAA DIP with final terms by May 30, 2026, please find

enclosed the final, binding commitment for a DIP facility in the amount of US\$300,000,000, provided by the Senior Secured Lenders, together with a blackline marked against the Company's markup to the CCAA DIP received on May 28, 2026. The CCAA DIP is submitted jointly by the First Secured Lenders and the Ad Hoc Group as a unified financing package for the Company in the CCAA Proceedings.

Set out below are certain explanatory notes from the Senior Secured Lenders in respect of the enclosed CCAA DIP, which are intended to assist the Company and the Monitor in reviewing the final terms of the CCAA DIP and to highlight certain key amendments, clarifications, and other matters that the Senior Secured Lenders wish to draw to the Company's and Monitor's attention (capitalized terms are as defined in the CCAA DIP).

- Section 6: Several and not joint liability:
 - The use of a fronting bank to fund provides the Borrowers with a single entity against which they can seek relief in the event of a funding default.
 - There is no need for the DIP Lenders to themselves be jointly and severally liable.
- Section 7: Amount of Initial Advance:
 - Please provide the Borrowers' required Initial Advance amount.
 - Please provide the Borrowers' KEIP/ KERP proposal.
- Section 10: The Borrowers' DIP obligations cannot be assignable:
 - The Borrowers' DIP obligations cannot be freely assignable. In what circumstances are you anticipating this will be required?
- Section 9: Use of Proceeds:
 - The DIP Lenders have engaged in productive discussions with the Company and the Monitor and look forward to continuing discussions regarding how the current plans to mine the iron ore at the Mary River Mine fits with the Pre-Approved Steensby CapEx and the Borrowers' overall restructuring plan.
- Section 13: PIK DIP Lender Expenses:
 - Permitting the funding of professional fees through deemed draws resolves the Borrowers' concerns that payment of those fees will reduce new money availability or constrain liquidity.
- Section 14: Initial Cash Flow Forecast
 - The DIP Lenders understand that the Initial Cash Flow Forecast provides for Steensby capital expenditures and sealift expenses that are required and non-discretionary as those terms are used in the email from the Monitor of Friday, May 29.
- Section 25(x): Arcelor contract:
 - How does the company plan to handle certain contracts, e.g., the 8% discount to Arcelor Mittal (\$20M of cash flow), and the Glencore Marketing Fees?

- Section 31: Termination by Borrowers:
 - If the DIP Lenders fail to fund in violation of the Agreement, the Borrowers will have remedies against the DIP Lenders. Those remedies cannot include terminating the Agreement. Amounts of principal still owed will remain outstanding and will continue to accrue interest until paid.
- Definitions, "Permitted Variances": Iron Ore Fluctuations
 - The DIP Lenders are open to a discussion regarding allowing the Approved Cash Flow Forecast and Permitted Variances to exclude reasonable fluctuations in iron ore prices, but the DIP Lenders need to ensure that if iron ore prices move against the company, the company will still have sufficient liquidity to complete the SISF and operate in the ordinary course of business.
 - Please propose language that provides that protection, which the DIP Lenders will consider.

We reiterate our position in our letter of May 25, 2026, that the CCAA DIP should be accepted as the successful DIP under the DIP solicitation process. As set out in our initial submission and reiterated here:

- the Senior Secured Lenders represent the vast majority of the secured creditors of the Company and are the parties who bear the most direct economic risk and who will suffer the greatest loss if value is eroded in the CCAA Proceedings;
- no other stakeholder has a greater alignment of interest with the preservation of enterprise value; and
- the CCAA DIP has been sized to accommodate BIM's requests and will, among other things, stabilize the Company's operations, fund an orderly and longer than typical sale and investment solicitation process, and sustain the Company through the coming winter.

In the event that the Company and the Monitor select a bid to provide DIP financing that is not agreeable to some stakeholders of BIM, and the Company requires additional time to resolve any objections to the selected DIP facility, the Senior Secured Lenders submit that the CCAA DIP should be approved up to the amount of the Bridge Advances (being US\$110,000,000, as defined in the CCAA DIP), which was increased from the Interim Bridge DIP amount of US\$70,000,000 previously submitted, to accommodate the Company's request in this regard. We reiterate the statements made in our letter of May 25, 2026, with respect to why interim bridge financing would be appropriate in such circumstances and importantly, that the Bridge Advances carries no fees in the event it is repaid out of the proceeds of a replacement DIP facility, rendering it entirely without prejudice to any party.

The Senior Secured Lenders look forward to engaging constructively with the Company and the Monitor on the CCAA DIP. The Senior Secured Lenders remain ready to move immediately upon acceptance and welcome the opportunity to work with all parties toward a successful restructuring that preserves jobs, protects critical operations, and delivers the best possible outcome for all of BIM's stakeholders.

While the Senior Secured Lenders hope to arrive at a mutually agreeable solution for provision of DIP financing to BIM, they reserve all of their rights to ask questions of the Company and the Monitor regarding the DIP solicitation process and related matters, and to challenge, oppose, and seek to set aside any alternative DIP facility selected by the Company and the Monitor if the terms of same are prejudicial to the interests of the Senior Secured Lenders, the likely fulcrum creditors of BIM.

Yours truly,

Stikeman Elliott LLP



Maria Konyukhova
Partner

MK/PY

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

Encl.

DIP FACILITY LOAN AGREEMENT

DATED AS OF May ■, 2026

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

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

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

1. **Defined Terms:** A capitalized term not defined in the body of this Agreement has the meaning ascribed to it in the Definitions section below.

2. **Interpretation:** In this Agreement, words signifying the singular number include the plural and *vice versa*, and words signifying gender include all genders. Every use of the word "including" in this Agreement is to be construed as meaning "including, without limitation".

 The division of this Agreement into Sections and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement.

 References in this Agreement to Sections or Schedules are to be construed as references to a Section or Schedule of or to this Agreement unless the context requires otherwise.

3. **Currency:** Unless otherwise stated, all monetary denominations shall be in lawful currency of the United States of America.

4. **Borrowers:** Baffinland Iron Mines Corporation ("**BIM Corp**") and Baffinland Iron Mines LP ("**Baffin LP**" and, together with BIM Corp, the "**Borrowers**").

5. **Guarantors:** Nunavut Iron Ore, Inc. and 12334992 Canada Inc. (collectively, the "**Guarantors**" and collectively with the Borrowers, the "**Obligors**").

6. **DIP Lenders:** The institutions described in Schedule A (on behalf of themselves and their affiliates and managed funds) hereby commit to provide the DIP Facility, on a several and not joint basis, in the respective amounts set forth adjacent to each such institution's name in Schedule A upon the terms and conditions set forth in this Agreement (collectively, the "**DIP Lenders**").

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

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

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

7. **DIP Facility:** The DIP Lenders agree to establish in favour of the Borrowers a debtor-in-possession delayed draw term loan facility (the “**DIP Facility**” and, the loans thereunder, the “**DIP Loans**”) in the principal amount equal to \$300 million (the “**Loan Amount**”). No amount capitalized as principal hereunder shall reduce the availability of the full Loan Amount to the Borrowers.
8. **DIP Advances:** Advances under the DIP Facility in the aggregate principal amount of up to \$110 million (the “**Bridge Advances**”) shall be made available to the Borrowers during the four week period beginning on the date that is one Business Day after the date of the Second Amended and Restated Initial Order (the “**Bridge Period**”), subject to satisfaction of the Subsequent Advance Conditions (other than the first advance under the DIP Facility (the “**Initial Advance**”). The Initial Advance of \$70 million shall be advanced to the Borrowers on the date of the Second Amended and Restated Initial Order, subject to satisfaction of the Initial Advance Conditions. Interest shall accrue and be payable on the Bridge Advances pursuant to the terms hereof.

Subsequent advances under the DIP Facility, including during the Bridge Period (each, a “**Subsequent Advance**”) shall be made available to the Borrowers subject to satisfaction, at the time of each Subsequent Advance, of the Subsequent Advance Conditions, and shall be deposited into the Borrowers' Account (defined below) every other week (or as otherwise agreed by the Borrowers and the Required DIP Lenders), with each Subsequent Advance being in an amount no less than \$20 million, in each case subject to the satisfaction of the Subsequent Advance Conditions (as defined below). The sum of the Initial Advance and the Subsequent Advances shall not exceed the Loan Amount. The timing and

amount of each Subsequent Advance shall be determined based on the funding needs of the Borrowers as set forth in the Approved Cash Flow Forecast, and Subsequent Advances shall only be available and provided hereunder after the Borrowers have received the entirety of the Initial Advance.

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

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

9. **Use of Proceeds:** The proceeds of the DIP Facility shall be used solely by the Borrowers in accordance with the Approved Cash Flow Forecast, which shall include provision for payment, in all respects subject to and to the extent included in the Approved Cash Flow Forecast, of (i) the fees of the Monitor and its counsel and counsel for the Obligors, (ii) interest, fees (including the Commitment/Funding Fee) and other amounts owing to the DIP Lenders under this Agreement, (iii) DIP Lender Expenses and ordinary course payments for the Borrowers' working capital needs during the CCAA Proceeding, including, post-filing accounts payable in the ordinary course of the Business and Priority Payables and in respect of the pursuit of the SISP, (iv) royalty payments under each of the Royalty Agreements when due and payable under such Royalty Agreement but excluding, for the avoidance of doubt, any payments which are Prohibited Payments, (v) cash collateral required to support letters of credit issued by financial institutions, (vi) Pre-Approved Steensby CapEx, and (vii) amounts payable under the Benefits Agreement. Without the prior written consent of the Required DIP Lenders (subject to the Supermajority DIP Lender Budget Consent Right), no proceeds may be used, and no expenditures shall be made, for any purpose that is not included in the Approved Cash Flow Forecast. The foregoing list is illustrative and shall be subject to,

and not construed as superseding in any respect, the prohibitions on payments provided for in Section 26 hereof and the consent rights of the DIP Lenders with respect to the Approved Cash Flow Forecast.

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

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

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

On the date which is 60 days following the date on which the Initial Advance is made, the Borrowers shall, solely to the extent the DIP Facility has not been repaid or refinanced in full in cash as of such date, pay a fee (the "**Commitment/Funding Fee**") of 3.00% of the Loan Amount to the DIP Lenders on a pro rata basis, which such Commitment/Funding Fee shall be payable in kind and capitalized on the principal amount of the DIP Loans on such date.

The Commitment/Funding Fee shall constitute part of the DIP Obligations, shall be secured by the DIP Charge, and shall bear interest at the Interest

Rate (or, after the occurrence and during the continuance of an Event of Default, the Default Rate).

13. **Other Costs and Expenses:** The Borrower shall pay (either in cash or through Deemed Draws, as defined below) all reasonable and documented third-party out-of-pocket costs and expenses of the DIP Agent, each DIP Lender and the Fronting Lender for all due diligence and all reasonable and documented fees, out-of-pocket expenses and disbursements of advisors (which, for the avoidance of doubt, shall include (i) Stikeman Elliott LLP, as counsel to the Senior Lenders, (ii) Paul, Weiss, Rifkind, Wharton & Garrison LLP, as special counsel to the Senior Lenders, (iii) a financial advisor to the Senior Lenders, (iv) Akin Gump Strauss Hauer & Feld LLP, as counsel to the Holder AHG, (v) Cassels Brock & Blackwell LLP, as counsel to the Holder AHG and (vi) Houlihan Lokey, as financial advisor to the Holder AHG), incurred in connection with the preparation, negotiation and consummation of this Agreement or any other Restructuring Transaction, the administration of the DIP Facility and participation in the CCAA Proceeding, including any reasonable and documented third-party costs and out-of-pocket expenses incurred by the DIP Agent, the DIP Lenders and the Fronting Lender in connection with the enforcement of any of the rights and remedies available hereunder or under the DIP Security (collectively, the **"DIP Lender Expenses"**). The DIP Lender Expenses shall form part of the DIP Obligations secured by the DIP Charge (as defined below). The Borrowers may, by providing notice to the DIP Lenders, opt to have DIP Lender Expenses paid directly by the applicable DIP Lender to its advisors, *provided* that any such payment by any DIP Lender to any such advisor will result in a dollar-for-dollar increase in the principal amount outstanding under the DIP Facility owed to the applicable paying DIP Lender, effective as of the date of such payment (a **"Deemed Draw"**).
14. **Approved Cash Flow Forecast:** Attached hereto as Schedule B is a detailed cash flow projection (the **"Initial Cash Flow Forecast"**), which is in form and substance satisfactory to the Required DIP Lenders and which may include, *inter alia*, provision for payments on account of any interest and expenses which may be payable under the DIP Facility, rent and other occupancy costs, supplier payments, cash collateral required to support letters of credit issued by financial institutions, post-filing accounts payable in the ordinary course of the Business, Priority Payables, payments of amounts payable under the Royalty Agreements (but excluding, for the avoidance of doubt, any royalty payments which are Prohibited Payments) and the Benefits Agreement, and the costs and expenses associated with the CCAA Proceeding. The foregoing list is illustrative and shall be subject to, and not construed as superseding in any respect, the prohibitions on payments provided for in Section 26 hereof and the consent rights of the DIP Lenders with respect to the Approved Cash Flow Forecast.

The Borrowers, with the assistance of the Monitor, shall, from time to time as required by this Agreement, present the DIP Lenders with a revised cash flow forecast in a substantially similar form (the **"Updated Cash**

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

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

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

(ii) submitted to the DIP Lenders supporting plans including engineering, design and operations acceptable to the Required DIP Lenders; and
(iii) liquidity which is reasonably acceptable to the Required DIP Lenders; *provided, however*, that the approval of the Supermajority DIP Lenders shall be required with respect to allocations of more than \$95 million to the Steensby Expansion or exploration in any Updated Cash Flow Forecast (the “**Supermajority DIP Lender Budget Consent Right**”).

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

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

- (a) the Court shall have issued the Second Amended and Restated Initial Order in form and substance satisfactory to the DIP Agent, the Required DIP Lenders and the Fronting Lender, acting reasonably, among other things:
 - (i) authorizing and approving this Agreement;
 - (ii) granting the DIP Charge and the priority of the DIP Charge contemplated in this Agreement;
 - (iii) granting a stay of proceedings until no earlier than September 30, 2026; and
 - (iv) providing for provisional execution, or other protection satisfactory to the Required DIP Lenders, in respect of any and all Advances made and/or Liens and/or charges granted for the DIP Loans, including the DIP Charge;and the operation and effect of such order shall not have been stayed, amended, modified, reversed, waived, dismissed or appealed (or any such appeal shall have been dismissed with no further appeal therefrom or the applicable appeal periods shall have expired) and no notices of the foregoing shall have been filed, unless otherwise agreed by the Required DIP Lenders, in their sole discretion;
- (b) the DIP Lenders shall have received an Advance Notice in accordance with the terms hereof;
- (c) no Default or Event of Default shall have occurred and be continuing or will occur as a result of the Initial Advance;
- (d) there shall be no Encumbrances on the Collateral ranking in priority to or *pari passu* with the DIP Charge other than as expressly permitted by the terms hereof;
- (e) the Obligors shall have delivered to the DIP Agent customary officer’s certificates and authorizing directors’ resolutions, in form and substance satisfactory to the Required DIP Lenders; and
- (f) the Borrowers shall have confirmed to the DIP Agent and the Required DIP Lenders that all Authorizations which the Borrowers

held as of the filing date of the CCAA Proceedings (the “**Filing Date**”) remain in place.

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

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

- (a) the Second Amended and Restated Initial Order shall not have been stayed, amended, modified, reversed, waived, dismissed or appealed (or any such appeal shall have been dismissed with no further appeal therefrom or the applicable appeal periods shall have expired) and no notices of the foregoing shall have been filed, unless otherwise agreed by the Required DIP Lenders, in their sole discretion;
- (b) the Second Amended and Restated Initial Order has not been amended, restated or modified in a manner that materially adversely affects the rights, remedies or interests of the DIP Lenders without the prior written consent of the Required DIP Lenders; *provided* that any such modification which would require the consent of a given DIP Lender under section 34 hereof be subject to such DIP Lenders’ consent;
- (c) the DIP Lenders shall have received an Advance Notice in accordance with the terms hereof;
- (d) all reasonable and documented third-party expenses payable to the DIP Agent, the DIP Lenders and the Fronting Lender hereunder have been paid by the Borrowers in cash or via a Deemed Draw, or will be paid from the proceeds of the requested Advance on the date of the applicable Advance;
- (e) there shall be no Encumbrances on the Collateral ranking in priority to or *pari passu* with the DIP Charge other than as expressly permitted by the terms hereof;
- (f) no Default or Event of Default shall have occurred and be continuing or will occur as a result of the requested Advance;
- (g) the Borrowers shall have confirmed to the DIP Agent and the Required DIP Lenders that all Authorizations which the Borrowers held as of the Filing Date remain in place; and
- (h) the Borrowers are in compliance with the Approved Cash Flow Forecast (subject to Permitted Variances) as of the date of the proposed Subsequent Advance (which may, for the avoidance of doubt and in the event that a Subsequent Cash Flow Forecast is not approved as required hereunder, be the prior Approved Cash Flow Forecast subject to the limitations on rolling-forward set forth in Section 14 above).

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

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

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

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

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

22. **Payments:**

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

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

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

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

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

determined by a court of competent jurisdiction, or (b) to the extent arising from any dispute solely among Indemnified Persons other than any Claims arising out of any act or omission on the part of the Obligors. Notwithstanding anything to the contrary herein, the indemnities granted under this Agreement shall survive any termination of the DIP Facility.

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

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

of the CCAA and any Court order made after the date of the Initial Order, and such Obligor has no knowledge of any facts which result in, constitute, or are likely to give rise to, non-compliance with any Laws in any material respect;

- (f) such Obligor owns, leases or has the lawful right to use all of the material properties and undertaking necessary for the conduct of the business of such Obligor;
- (g) such Obligor has obtained and/or maintained any material Authorizations for the operation of the Business, which Authorizations remain, and after entering into the DIP Facility will remain, in full force and effect, and no proceedings have been commenced to revoke or amend any such Authorizations;
- (h) such Obligor does not have any defined benefit pension plans or similar plans and is in material compliance with all applicable Law respecting its employees' employment and all collective bargaining agreements to which it is a party or otherwise bound;
- (i) such Obligor is current on its post-filing payment obligations for rent and other occupancy costs and expenses in respect of any premises that it leases;
- (j) all of such Obligor's obligations (including fiduciary, funding, investment and administrative obligations, if any) required to be performed in connection with such Obligor's employee benefit plans have been performed on a timely basis;
- (k) such Obligor has filed all Tax returns which were required to be filed and paid all Taxes (including interest and penalties) which are due and payable, except (i) as disclosed to the DIP Lenders' advisors on [], 2026 at []am/pm or (ii) for charges, fees, or dues which are not material in amount or which are not delinquent or, if delinquent, are being contested in good faith if adequate reserves for payment of such obligations in the event that such contests are unsuccessful;
- (l) such Obligor and each of its subsidiaries has good and valid title to, or legally binding property right in, or valid leasehold interests in, all material real property necessary or used in the ordinary conduct of its business, in each case free and clear of all Encumbrances other than Permitted Liens and except for minor defects in title as would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the operations or financial condition of the Obligors taken as a whole;
- (m) all information provided by or on behalf of such Obligor to the DIP Lenders, including with respect to the Steensby Expansion and the status of the SISP, for the purposes of or in connection with this Agreement or any transaction contemplated herein, is true and accurate in all material respects on the date as of which such information was provided, not incomplete and does not omit to state any fact necessary to make such information (taken as a

- whole) not materially misleading at such time, in light of the circumstances under which such information was provided;
- (n) none of the Obligor owns or controls, directly or indirectly, any subsidiaries which are not Obligor.
 - (o) each Obligor maintains adequate insurance coverage, as is customary with companies in the same or similar business of such type, in such amounts and against such risks as is prudent for a business of its nature with financially sound and reputable insurers and that contain reasonable coverage and scope;
 - (p) except for those defaults which are stayed by the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order, or as disclosed to the DIP Lenders in writing on or after the date hereof, all Material Contracts are in full force and effect and are valid, binding and enforceable in accordance with their terms, and the Obligor do not have any knowledge of any default that has occurred and is continuing thereunder (other than those defaults arising as a result of or relating to the insolvency of the Obligor or any of their affiliates or the commencement of the CCAA Proceeding);
 - (q) except as disclosed to the DIP Lenders in writing on or after the date hereof, there are no agreements of any kind (i) between the Obligor and any other third party or any holder of debt or Equity Securities of the Obligor with respect to any Restructuring Transaction, which remain in force and effect as of the date hereof, or (ii) between the Borrowers and any related party;
 - (r) other than potential proceedings in connection with the Second Amended and Restated Initial Order to be sought by the Borrower, or this DIP Facility, or as stayed pursuant to the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order, there is not now pending or, to the knowledge of any of the senior officers of the Obligor, threatened against the Obligor, nor has any Obligor received notice in respect of, any claim, potential claim, litigation, action, suit, arbitration or other proceeding by or before any court, tribunal, governmental entity or regulatory body, in each case that would reasonably be expected to be material and adverse to the Obligor, taken as a whole;
 - (s) each Obligor has maintained and paid current its obligations, as applicable, for payroll, source deductions, harmonized, goods and services and retail sales tax, and is not in arrears of its statutory obligations to pay or remit any amount in respect of these obligations;
 - (t) the Borrowers have not taken or omitted to take any action that would reasonably be expected to materially impact their continued operations, including (i) failing to procure any essential products needed before the shipping window closes (such as critical spare parts and any equipment, consumables, and supplies which are

otherwise unable to be delivered during other months), (ii) ceasing their mining operations, or (iii) reducing their workforce in a manner which would reasonably be expected to cause such a material adverse impact; and

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

25. **Affirmative Covenants:**

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

- (a) submit to the Court the Second Amended and Restated Initial Order, and any other Court orders which are being sought by the Obligors in a form confirmed in advance to be satisfactory to the Required DIP Lenders subject to any amendments that are required by the Court that are acceptable to the Required DIP Lenders (acting reasonably);
- (b) comply with the provisions of all Court orders made in the CCAA Proceeding, including the Initial Order, Amended and Restated Initial Order and the Second Amended and Restated Initial Order;
- (c) use commercially reasonable efforts to allow each of the DIP Agent, DIP Lenders and their respective employees, agents, advisors and representatives access to all Collateral, information and documentation of the Obligors, to visit, inspect and conduct examinations of any of such Collateral, information and documentation (including any books and records) and discuss its business operations, properties and financial and other conditions with its officers, employees and independent public accountants, in each case, as may be reasonably requested by the DIP Agent or Required DIP Lenders, during normal business hours, in each case subject to applicable privacy laws and solicitor-client privilege; *provided* that visits to Nunavut by any of the foregoing parties shall be subject to such limitations as the Borrowers reasonably determine are necessary including due to cost, interference with operations, sealift, shipping season, and the SISP;
- (d) preserve, renew, maintain and keep in full force its corporate existence and its material Authorizations required in respect of the Business or any of the Collateral;
- (e) keep the DIP Lenders apprised on a timely basis of all material developments with respect to the Business and affairs of the Obligors, including with respect to updates regarding the CCAA Proceeding, the SISP, and the Steensby Expansion;
- (f) conduct the Business and preserve, protect and maintain the Collateral in the ordinary course of Business;
- (g) operate and maintain its respective properties and businesses in all material respects in accordance with industry practice and in all

material respects in accordance with applicable Law and all Court orders made in the CCAA Proceeding, including the Initial Order, Amended and Restated Initial Order and the Second Amended and Restated Initial Order;

- (h) except to the extent otherwise agreed by the Required DIP Lenders (acting reasonably), pay all applicable Priority Payables and all other amounts necessary to preserve the Collateral to avoid any Encumbrance thereon and to carry on the business of each Obligor in the ordinary course;
- (i) promptly notify the DIP Lenders of the occurrence of any Default or Event of Default;
- (j) comply in all material respects with all applicable Laws, rules and regulations applicable to its business, including environmental laws;
- (k) use the proceeds of the DIP Facility in a manner consistent with the restrictions set out herein and in all cases in accordance with the Approved Cash Flow Forecast (subject to Permitted Variances);
- (l) duly and punctually pay or cause to be paid to the DIP Agent on behalf of the DIP Lenders all principal, interest, fees, and other amounts payable by it under this Agreement on the dates, at the places and in the amounts set forth herein;
- (m) on or prior to 5:00 p.m. (Toronto time) on the Monday of every [fourth] calendar week beginning after the date of this Agreement (each, a “**Testing Period**”), the Obligors shall have delivered to the DIP Agent and DIP Lenders (x) an Updated Cash Flow Forecast and (y) a Variance Report;
- (n) the Obligors shall have delivered to the DIP Lenders a business plan that is in form and substance satisfactory to the Required DIP Lenders by no later than the date that is three (3) months after the issuance of the Initial Order; and
- (o) On or prior to June 5, 2026 (or such later date as may be agreed to by the Borrowers and the Required DIP Lenders), the Obligors shall have entered into a key employee retention plan and/or a key employee incentive plan in form and substance acceptable to the Required DIP Lenders.
- (p) at all times maintain adequate insurance coverage of such kind and in such amounts and against such risks as is customary for the business of the Obligors with financially sound and reputable insurers in coverage and scope acceptable to the Required DIP Lenders, acting reasonably, and, if requested by the Required DIP Lenders, cause the DIP Agent to be listed as a loss payee or additional insured (as applicable) on such insurance policies and notify the DIP Lenders of any claims or losses exceeding \$2,000,000. The Approved Cash Flow Forecast shall permit

funding sufficient to pay the premiums in respect of such insurance;

- (q) provide the DIP Agent and the DIP Lenders (by email to their counsel being sufficient) with draft copies of, and the opportunity to comment on, all motions, applications, proposed Court orders and other materials or documents that the Obligors intend to file in the CCAA Proceeding at least two (2) Business Days prior to such filing or, where it is not practically possible to do so within such time, as soon as possible prior to the date on which such motion, application, proposed Court order or other material or document is served on the service list in respect of the CCAA Proceeding;
- (r) promptly provide notice to the DIP Agent, the DIP Lenders and their counsel, and keep them otherwise apprised, of any material developments in respect of any Material Contract, and of any material notices, orders, decisions, letters, or other documents, materials, information or correspondence received from any regulatory authority having jurisdiction over any Obligor, in each case which would reasonably be expected to have a material adverse effect on the Obligors' operations, business, or ability to perform under this Agreement and subject to any disclosure restrictions at Law or contained in any Court order or that, in the opinion of the Obligors (in consultation with the Monitor), each acting reasonably, are necessary to protect the Borrowers' restructuring process;
- (s) promptly upon becoming aware thereof, provide details of any pending, or threatened claims, potential claims, litigation, actions, suits, arbitrations, other proceedings or notices received in respect of same, against any Obligor by or before any court, tribunal, Governmental Authority or regulatory body, which would be reasonably likely to result, individually or in the aggregate, in a judgment in excess of \$1,000,000;
- (t) take all commercially reasonable actions necessary or available to defend any Court orders in the CCAA Proceedings from any appeal, reversal, modifications, amendment, stay or vacating not expressly consented to in writing in advance by the Required DIP Lenders relating to the DIP Facility or the DIP Charge;
- (u) continue business operations in all material respects in the ordinary course ensuring full utilization of the shipping window, including (i) ensuring fuel and other necessary products for operations are secured for continued operations and (ii) shipping out all ready-to-ship product for sale; and the Borrowers will not materially change employee head count or staffing requirements except as may be needed to optimize cost structure and operations subject to the Approved Cash Flow Forecast and the prior written consent of the Required DIP Lenders;
- (v) maintain all Authorizations during the term of the DIP Facility in full force and effect and use commercially reasonable efforts to

defend each such Authorization against revocation or amendment thereof, including by complying with the terms thereof;

- (w) maintain in good repair, working order and condition all material properties and assets used or useful in the business of the Borrowers and make all such appropriate repairs thereto;
- (x) consult with the DIP Lenders from time to time at their reasonable request regarding which contracts are to be disclaimed in the CCAA Proceedings;
- (y) execute and deliver such loan and security documentation as may be reasonably requested by the DIP Agent or the Required DIP Lenders from time to time;
- (z) promptly pay or cause to be paid, as set forth in section 13 hereof, all DIP Lender Expenses no less frequently than every two weeks, provided that the DIP Lenders shall use commercially reasonable efforts to provide reasonable estimates of such expenses for purposes of the Approved Cash Flow Forecast.

26. **Negative Covenants:**

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

- (a) make any payment of principal or interest in respect of Indebtedness (other than the DIP Facility) or declare or pay any dividends or make any other distribution in respect of its equity interests, in each case, except as expressly provided in the Approved Cash Flow Forecast (without regard to Permitted Variances);
- (b) except as set forth in any Court order that is acceptable to the Required DIP Lenders, incur or permit to exist any Indebtedness (including, without limitation, any capital lease obligation, equipment lease, financing lease obligation, or debtor in possession financing other than the DIP Facility) other than as expressly provided in the Approved Cash Flow Forecast (without regard to Permitted Variances);
- (c) except as set forth in any Court order that is acceptable to the Required DIP Lenders, create, incur, or permit to exist any Encumbrance, or provide or seek to support a motion by another party to provide an Encumbrance, upon any of its properties or assets, in each case other than Permitted Liens;
- (d) make any payments or use any monies (including, without limitation, proceeds of the DIP Facility) outside of the ordinary course of Business, unless provided for in the Approved Cash Flow Forecast (subject to Permitted Variances);
- (e) make any investments in, acquisitions of, or loans to, or guarantee the Indebtedness or obligations of, any other Person, entity or

assets, except as expressly provided in the Approved Cash Flow Forecast (without regard to Permitted Variances);

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

in any partnership that does not provide for the full repayment of the obligations under the DIP Facility;

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

would reasonably be expected to materially affect the rights or protections of the DIP Agent or the DIP Lenders under or in connection with the DIP Facility or the DIP Charge, except with the prior written consent of the Required DIP Lenders, in their sole discretion;

- (y) seek or consent to the lifting of the stay of proceedings in the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order, as applicable, in favour of the Borrowers, or seek or consent to the appointment of a receiver or trustee in bankruptcy or any similar official in any jurisdiction;
- (z) make any changes to the composition of the board of directors of the Borrowers (including the addition, removal or replacement of directors, other than a resignation by a director), other than pursuant to a Court order acceptable to the Required DIP Lenders or with the Required DIP Lenders' approval (in their sole discretion); or
- (aa) interfere with the Monitor in any efforts it undertakes to (i) meet and communicate with the DIP Agent and DIP Lenders and (ii) provide regular reports to the DIP Agent and DIP Lenders with respect to the DIP Facility and the CCAA Proceeding.

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

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

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

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

potential Restructuring Transactions[or Alternative Offtake and Service Agreements].

28. **Events of Default:**

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

- (a) any Court order is issued, dismissed, stayed, reversed, vacated, amended or restated and such issuance, dismissal, stay, reversal, vacating, amendment or restatement which (i) stays, reverses, vacates or otherwise modifies this Agreement or (ii) adversely affects or would reasonably be expected to adversely affect the enforceability of this Agreement or the DIP Charge unless the DIP Agent or Required DIP Lenders, as applicable, have given their prior written consent thereto, including the issuance of a Court order:
 - (i) appointing a receiver and manager, receiver, interim receiver or similar official in respect of an Obligor;
 - (ii) terminating, lifting or amending the stay imposed within the CCAA Proceeding in a manner which, in the opinion of the Required DIP Lenders, acting reasonably, is materially prejudicial to the DIP Lenders;
 - (iii) granting any other claim or Encumbrance of equal or priority status to that of the DIP Charge, other than the Priority Charges or the Priority Payables; or
 - (iv) prejudicially affecting the DIP Agent, DIP Lenders or the Collateral;
- (b) failure of an Obligor to diligently oppose any party that brings an application or motion for any of the relief set out in subsection 27(a) above and/or the failure to secure the dismissal of such motion or application within 30 days from the date that such application or motion is brought (provided no affirmative Court order is issued on such motion or application during such period);
- (c) the CCAA Proceeding is terminated or converted to bankruptcy proceedings;
- (d) failure of the Borrowers to (i) pay principal, interest or other amounts when due pursuant to this Agreement or any other document entered into in connection herewith, or (ii) pay or cause to be paid any reasonable and documented DIP Lender Expenses within two (2) Business Days of being invoiced therefor (either in cash or via Deemed Draws), *provided* that such invoices are delivered no more frequently than every two weeks, and such failure, in the case of each of items (i) and (ii), remains unremedied for more than two (2) Business Days;
- (e) any Obligor ceases to carry on or maintain the Business or its assets in the ordinary course of the Business in compliance with the covenants contained in this Agreement, except where such

cessation is otherwise consented to in advance in writing by the Required DIP Lenders;

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

- (o) any change of control of any one or more of the Obligors that does not provide for the full repayment in cash of the obligations under the DIP Facility without the consent of the Required DIP Lenders;
- (p) any Authorization issued to any Obligor is terminated, revoked, or suspended and such termination, revocation, or suspension has or would reasonably be expected to have a material adverse effect on the operations, financial condition, and/or future prospects of the Obligors taken as a whole;
- (q) any Obligor does not comply with any term or condition of the SISP;
- (r) the priority of the Liens as contemplated hereby created pursuant to or under the DIP Security in favor of the DIP Agent for the benefit of the DIP Lenders is varied without the consent of the DIP Agent at the direction of the DIP Lenders or any of such Liens does not have the priority required hereunder for any reason in any jurisdiction;
- (s) any Obligor commences an action or any other proceeding in any proceeding or in any other court to (i) obtain any form of relief against the DIP Agent or DIP Lenders (or any one or more of them) including without limitation a proceeding to recover damages from the DIP Agent or the DIP Lenders or to obtain payment of any amounts purported to be owing by the DIP Agent or the DIP Lenders (or any one or more of them) to any Obligor if the DIP Agent or the DIP Lenders (or any one or more of them) disputes any of the same or (ii) challenge in any way the enforceability of this Agreement or any document entered in connection herewith or the Liens granted under or pursuant to the DIP Security; *provided*, for the avoidance of doubt, that an Obligor's enforcement of this Agreement against any DIP Lender shall not be an Event of Default under this clause 28(s);
- (t) any Obligor seeks, or consents to, any amendment of the SISP without the prior written consent of the DIP Agent at the direction of the Supermajority DIP Lenders;
- (u) the expiry without further extension of the stay of proceedings in the CCAA Proceeding;
- (v) the denial or purported repudiation by any Obligor of the legality, validity, binding nature, or enforceability of this Agreement or any document entered into in connection herewith, or any Obligor commencing any action or proceeding in any proceeding for a declaration or order to such effect;
- (w) this Agreement or any other document entered into in connection herewith (and for certainty including without limitation the DIP Security) ceases to be enforceable;
- (x) except as stayed by order of the Court, the entry of one or more final judgements, writs of execution, garnishments or attachments representing a claim or claims in excess of \$100,000 or the

equivalent amount thereof in any other currency, in the aggregate, against any Obligor or the property and assets of any Obligor which are subject to the Liens in favor of the DIP Agent for the benefit of the DIP Lenders that is not released, bonded, satisfied, discharged, vacated, stayed or accepted for payment by an insurer within 30 days after its or their entry, commencement or levy;

- (y) (i) a Variance Report or Updated Cash Flow Forecast is not delivered within two (2) Business Days of the day on which such Variance Report or Updated Cash Flow Forecast is required to be delivered pursuant to this Agreement, or (ii) there shall exist any variance in excess of any Permitted Variance, including any Permitted Variance specific to any disbursement line item as set forth in the definition of "Permitted Variance"; or
- (z) the retaining or appointment of either (i) a chief restructuring officer or Person in a similar role or (ii) a Monitor with expanded powers, in each case other than with the prior consent of the Required DIP Lenders or pursuant to a Court order which is acceptable to the Required DIP Lenders.

29. **Remedies:**

Upon the occurrence and continuance of an Event of Default, the DIP Agent (acting at the direction of the Required DIP Lenders) or the Required DIP Lenders may elect on prior written notice to the Borrowers and the Monitor to:

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

The DIP Agent (acting at the direction of the Required DIP Lenders) may use (for certainty, on the instructions of the Required DIP Lenders in accordance with the definition thereof and section 34) any or all of the DIP Obligations as a credit bid and/or to pay for some or all of the purchase price (including any deposit payable in connection with such transaction) in connection with (a) any purchase of some or all of the properties and

assets of the Borrowers and the Guarantors (or any one or more of them), (b) any Restructuring Transaction agreed to by the Borrowers (in consultation with the Monitor) and the Required DIP Lenders, in each case subject to any Court order and such reasonable terms and conditions as may be required in the opinion of the Borrowers (in consultation with the Monitor), each acting reasonably, to protect the Borrowers' restructuring process.

30. **Taxes:** All payments by an Obligor under this Agreement, including any payments required to be made from and after the exercise of any remedies available to the DIP Agent and/or the DIP Lenders upon the occurrence and continuance of an Event of Default, shall be made free and clear of, without reduction for or on account of, any present or future Taxes; provided, however, that if any Taxes are required by applicable Law to be withheld ("**Withholding Taxes**") from any amount payable to the DIP Lenders under this Agreement, the amounts so payable to the DIP Lenders shall be increased to the extent necessary to yield to the DIP Lenders on a net basis after payment of all Withholding Taxes, the amount payable hereunder at the rate or in the amount specified hereunder and the Obligors shall provide evidence satisfactory to the Required DIP Lenders that the Taxes have been so withheld and remitted.
- If the Borrowers pay an additional amount to the DIP Lenders to account for any Withholding Taxes, the DIP Lenders shall reasonably cooperate with the Borrowers to obtain a refund of the amounts so withheld, including filing income tax returns in applicable jurisdictions, claiming a refund of such Withholding Tax and providing evidence of entitlement to the benefits of any applicable tax treaty. The amount of any refund so received, and interest paid by the tax authority with respect to any refund, shall be paid over by the DIP Lenders to the Borrowers promptly. If reasonably requested by the Borrowers, the DIP Lenders shall apply to the relevant taxing authority to obtain a waiver from such withholding requirement, and the DIP Lenders shall cooperate with the Borrowers and assist the Borrowers to minimize the amount of Withholding Tax required, in each case at the Borrowers' sole expense.
31. **Termination by Borrowers** The Borrowers shall be entitled to terminate this Agreement upon notice to the DIP Lenders at any time following the indefeasible payment in full in immediately available funds of all of the outstanding DIP Obligations. Effective immediately upon such termination, all obligations of the Borrowers and the DIP Lenders under this Agreement shall cease, except for those obligations that explicitly survive termination. For greater certainty, all outstanding DIP Obligations in respect of all Advances funded prior to such termination shall become immediately due and payable concurrently with such termination and the DIP Lenders shall not be required to make any further extensions of credit under this Agreement.

32. **Further Assurances:** The Obligors shall, at their own expense, from time to time do, execute and deliver or will cause to be done, executed and delivered, all such further acts, documents (including, without limitation, certificates, declarations, affidavits, reports and opinions) as the Required DIP Lenders may reasonably request for the purpose of giving effect to this Agreement.
33. **Entire Agreement:** This Agreement constitutes the entire agreement between the parties related to the subject matter hereof. To the extent there is any inconsistency between this Agreement and any other documents entered into in connection herewith, this Agreement shall prevail.
34. **Amendments and Waivers:** No waiver or delay on the part of the DIP Lenders in exercising any right or privilege hereunder will operate as a waiver hereof or thereof unless made in writing and delivered in accordance with the terms of this Agreement.
- All consents, waivers or amendments to or in connection with this Agreement and the DIP Facility and the transactions contemplated hereby or thereby must be in writing and if approved in writing by the DIP Agent at the direction of the Required DIP Lenders shall be binding on all of the DIP Lenders including those Lenders which did not execute any such consent, waiver or amendment; and any matters, documents or other things required to be acceptable or satisfactory to the DIP Lenders are and shall be deemed to be acceptable and satisfactory to all the DIP Lenders if acceptable or satisfactory to the DIP Agent at the direction of the Required DIP Lenders; provided that and for certainty, no consent, waiver or amendment shall be binding on the DIP Lenders unless each of the DIP Lenders executes a consent, waiver or amendment for any of the following matters: (a) increase the amount of any Lender's DIP Facility commitment amount; (b) change to the Maturity Date other than as expressly provided for herein; (c) postpone or delay the date for payment of any principal, interest or other DIP Obligations; (d) reduce the principal amount owing by the Borrowers or the rate of interest or any other fees applicable to amounts owing or to become owing hereunder or under the other documents in connection herewith; (e) change the pro rata commitments of any of the DIP Lenders in connection with the DIP Facility; (f) amend this section 34, the definition of "Required DIP Lenders", the definition of "Supermajority DIP Lenders" or any provision providing for consent or other action by all or any specific percentage or portion of the DIP Lenders; (g) discharge any Obligor from its payment obligations hereunder or under any other document in connection herewith or release any DIP Security except as may be expressly provided for in this Agreement; or (h) amend the terms and conditions of the application of proceeds of any repayments or the sharing of payments; provided further that any consent, amendment, waiver or other modification with respect to this Agreement that would adversely and disproportionately modify the rights of any DIP Lender (in its capacity as such) under the DIP Facility compared to other DIP Lenders shall require

the prior written consent of each such affected DIP Lender. Notwithstanding anything to the contrary contained herein, any consent, amendment, waiver or other modification that subordinates, or has the direct or indirect effect of subordinating, (x) any DIP Obligations in right of payment to any other Indebtedness for borrowed money or (y) any Encumbrances securing the DIP Obligations to any Encumbrances securing any other Indebtedness for borrowed money, in each case, shall require the prior written consent of the Supermajority DIP Lenders.

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

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

39. **Notices:**

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

in the case of a notice to the Obligors at:

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

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

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

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

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

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

■

Attention: ■
Email: ■

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

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

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

and

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

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

and

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

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

and

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

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

In either case, with a copy to the Monitor:

FTI Consulting Canada Inc.

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

With a copy to, which shall not constitute notice:

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

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

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

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

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

proceeds therefrom, including the Borrowers' Account and all assets used in the Business;

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

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

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

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

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

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

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

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

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

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

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

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

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

"EDC" means Export Development Canada;

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

"Eligible Assignee" means (x) any DIP Lender or Affiliate or Related Fund of any DIP Lender, and (y) any SPC as long as the applicable DIP Lender remains obligated in respect of its commitments hereunder,

provided that no Obligor or any Affiliate of any Obligor shall be an Eligible Assignee.

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

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

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

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

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

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

"Indebtedness" of any Person means, at any date, without duplication, (a) all obligations of such Person for borrowed money, including by way of overdraft and drafts or orders accepted as representing extensions of credit, (b) all obligations of such Person evidenced by bonds, debentures, the face amount of all letters of credit, letters of guarantee and similar instruments, notes or other similar instruments, (c) all indebtedness, liabilities and obligations secured by an Encumbrance on any asset of such Person, whether or not the same is otherwise indebtedness, liabilities or obligations of such Person, (d) all indebtedness, liabilities and obligations of others which is, directly or indirectly, guaranteed by such Person or which such Person has agreed (contingently or otherwise) to purchase or otherwise acquire, (e) all indebtedness, liabilities and obligations in respect of financial instruments which are classified as a liability on the balance sheet of such Person, and (f) all obligations of such Person to otherwise assure a creditor against loss (for certainty, Hedging Obligations incurred by an Obligor in the ordinary course shall not be considered Indebtedness for purposes of this Agreement);

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

"Indenture" means that certain Senior Secured Notes Indenture, dated as of June 27, 2018 (as amended, amended and restated or otherwise

modified from time to time prior to the date of this Agreement), by and among the Borrowers, as issuers and the Indenture Agent;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

"Permitted Liens" means (i) the Permitted Priority Liens; (ii) the DIP Charge; (iii) any charges created under the Initial Order or other Court order subsequent and subordinated in priority to the DIP Charge; (iv) Encumbrances existing prior to the Filing Date which are subordinate to the DIP Charge; (v) inchoate statutory Liens arising after the Filing Date in respect of any accounts payable arising after the Filing Date in the ordinary course of business; and (vi) miner's liens incurred in the ordinary course of business.

"Permitted Priority Liens" means (i) the Priority Charges; (ii) any Encumbrance in respect of amounts payable by the Borrowers for wages, vacation pay, employee deductions, sales tax, excise tax, tax payable pursuant to Part IX of the *Excise Tax Act* (Canada) (net of input credits),

income tax and workers compensation claims, in each case solely to the extent such amounts are given priority by applicable Law and only to the extent that the priority of such amounts has not been subordinated to the DIP Charge granted by the Court; and (iii) such other Encumbrances existing as of the Filing Date that have not been subordinated to the DIP Charge granted by the Court.

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

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

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

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

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

“Prohibited Payments” means any payment or satisfaction of any claim on account of (i) obligations owed (or which satisfaction of which would result in payment to) any direct or indirect beneficial owner of equity interests in any Obligor, including under any royalty agreement; (ii) any transaction which does not provide for fair and reasonable terms which are no less favorable than those that would be obtained in arm’s-length transactions of a similar type, except between Obligors; and (iii) obligations incurred prior to the Filing Date unless otherwise approved by the Monitor and the Court;

“Related Fund” means, with respect to any Lender that is an investment fund, any other entity that is managed or advised by such DIP Lender or the same investment advisor as such DIP Lender or by an Affiliate of such investment advisor;

“Required DIP Lenders” means, as of any time of determination, DIP Lenders holding more than 50% of the sum of all DIP Loans outstanding and undrawn commitments in effect with respect thereto (without taking into account any commitments temporarily held by the Fronting Lender for the account of the ultimate Lenders) at such time;

“Restructuring Transaction” means any restructuring, financing, refinancing, recapitalization, sale, liquidation, workout, plan or other material transaction of, or in respect of, the Obligors, or any of them, or all or a material portion of their Business, assets or obligations;

“Royalty Agreements” means, collectively, (i) the royalty agreement entered into among the Borrowers, 15877580 Canada Inc., ArcelorMittal Canada Inc., 15877563 Canada Inc. and 15877482 Canada Inc. dated March 25, 2024 and (ii) the royalty agreement entered into among the Borrowers, 16572367 Canada Inc., 15877563 Canada Inc. and 15877482 Canada Inc.;

“Second Amended and Restated Initial Order” means an order, or orders, of the Court, in form and substance satisfactory to the Required DIP Lenders and obtained on application made on notice to the service list in the CCAA Proceeding and to such Persons as the Required DIP Lenders and Obligors determine, acting reasonably, among other things, amending and restating the Amended and Restated Initial Order, approving the DIP Facility, granting the DIP Charge and granting the Obligors an extension of the stay of proceedings;

“Senior Agents” means, collectively, Alter Domus (US) LLC, as administrative agent and Wilmington Trust, National Association, as the collateral agent, in each case, under the Senior Credit Agreement;

“Senior Credit Agreement” means that certain revolving credit agreement dated as of May 26, 2017 (as amended by the first amendment dated June 27, 2018, the second amendment dated October 25, 2019, the third amendment dated February 14, 2022, the fourth amendment dated March 26, 2024, the fifth amendment dated May 27, 2025 and the sixth amendment dated November 24, 2025), by and among the

Borrowers, as borrowers, the guarantors party thereto, the Senior Lenders and the Senior Agents;

"Senior Lenders" means the lenders under the Senior Credit Agreement;

"Senior Secured Notes" means the senior secured notes issued under the Indenture;

"SISP" has the meaning given to that term in section 27;

"SISP Milestones" has the meaning given to that term in section 27;

"SPC" means, with respect to any Lender, any special purpose vehicle identified in writing from time to time to the Administrative Agent and the Borrower that is formed for the purpose of providing all or any portion of the DIP Facility that such Lender would otherwise be obligated to make pursuant to this Agreement.

"Stated Maturity Date" has the meaning given to that term in section 21 hereof.

"Steensby Expansion" has the meaning given to that term in section 24;

"Subsequent Advance" has the meaning given to that term in section 8;

"Supermajority DIP Lender Budget Consent Right" has the meaning given to that term in section 14;

"Supermajority DIP Lenders" means, as of any time of determination, DIP Lenders holding not less than 66.67% of the sum of all DIP Loans outstanding and undrawn commitments in effect with respect thereto (without taking into account any commitments temporarily held by the Fronting Lender for the account of the ultimate Lenders) at such time; provided that, at all times, "Supermajority DIP Lenders" must include at least three (3) DIP Lenders, which DIP Lenders are not affiliates of each other.

"Tax" and **"Taxes"** means any taxes, duties, fees, premiums and assessments imposed by any Governmental Authority, including all interest, penalties, fines or additions to tax imposed by any Governmental Authority in respect thereof, and including those levied on, or measured by, income, gross receipts, profits, capital, transfer, land transfer, sales, goods and services, harmonized sales, excise, withholding, business, franchising, property, development, occupancy, payroll, health, social services, education, employment and all social security taxes, all surtaxes, all customs, duties and import and export taxes, countervail and anti-dumping, all licence, franchise and registration fees and all employment insurance, health insurance and Canada, and other government pension plan premiums or contributions;

"Updated Cash Flow" has the meaning given to that term in section 14;

"Variance Report" means a report in a form satisfactory to the Required DIP Lenders and the Monitor acting reasonably setting forth for all Obligor (i) actual receipts and disbursements for the preceding Testing Period for each line item in the Approved Cash Flow Forecast for such Testing Period, and (ii) actual receipts and disbursements on a cumulative

basis since the beginning of the period covered by the then operative Approved Cash Flow Forecast, in each case as against the then operative Approved Cash Flow Forecast, and setting forth all the variances, on a line-item and aggregate basis in comparison to the amounts set forth in respect thereof in the then operative Approved Cash Flow Forecast. Each Variance Report shall include reasonably detailed explanations for any variances for either receipts or disbursements, in each case exceeding five percent (5%) of the Approved Cash Flow Forecast for each line item in the Approved Cash Flow Forecast and all items on a cumulative basis during the relevant period; and

"Withholding Taxes" has the meaning given to that term in section 30.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first written above.

BORROWERS:

**BAFFINLAND IRON MINES
CORPORATION**

by _____

**BAFFINLAND IRON MINES LP, by its
general partner, BAFFINLAND IRON
MINES CORPORATION**

by _____

GUARANTORS:

NUNAVUT IRON ORE, INC.

by _____

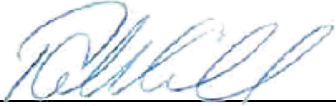
12334992 CANADA INC.

by _____

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first written above.

DIP LENDERS:

**BRIGADE CAPITAL MANAGEMENT,
LP, AS INVESTMENT ADVISOR TO ITS
VARIOUS FUNDS AND ACCOUNTS**

by  _____

Patrick Criscillo

Chief Financial Officer

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first written above.

DIP LENDERS:

**POLEN CAPITAL CREDIT, LLC, on
behalf of certain funds and accounts it
manages and/or advises**

by



Name: Elizabeth Duggan

Title: Authorized Signatory

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first written above.

DIP LENDERS:

**HARTREE PARTNERS, LP
BY ITS GENERAL PARTNER,
HARTREE PARTNERS GP, LLC**

By _____

OPPS XII BLIM Holdings, L.P.

By: Oaktree Fund GP IIA, LLC

Its: General Partner

By: Oaktree Fund GP II, L.P.

Its: Managing Member

By: David Nicoll _____

Name: David Nicoll

Title: Authorized Signatory

By: Ross Rosenfelt _____

Name: Ross Rosenfelt

Title: Authorized Signatory

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first written above.

DIP LENDERS:

**HARTREE PARTNERS, LP
BY ITS GENERAL PARTNER,
HARTREE PARTNERS GP, LLC**

By  _____
AE077D232204410...

OPPS XII BLIM Holdings, L.P.

By: Oaktree Fund GP IIA, LLC

Its: General Partner

By: Oaktree Fund GP II, L.P.

Its: Managing Member

By: _____

By: _____

SCHEDULE A
DIP FACILITY COMMITMENTS

DIP Lender	DIP Commitment	Notice Information
Brigade Capital Management, LP	\$30,000,000	
Polen Capital Credit, LLC	\$45,000,000	
Opps XII BLIM Holdings, L.P.	\$180,000,000	Oaktree Capital Management 555 South Flower Street, 36 th Floor Los Angeles, CA 90071 Attention: David Nicoll Email: dnicoll@oaktreecapital.com
Hartree Partners, LP	\$45,000,000	Hartree Partners, LP 1185 Avenue of the Americas, New York, NY 10036 Attention: Scott Potolsky Email: HMFI-notices@hartreepartners.com CC: legalNY@hartreepartners.com
Total.....	\$300,000,000	

SCHEDULE B

APPROVED CASH FLOW FORECAST

Illustrative Consolidated Cash Flow Projections

[illegible][illegible]

Nunavut Iron Ore, Inc., Baffinland Iron Mines Corporation and 12334992 Canada Inc. (collectively, the "Company")

Assumptions to the Cash Flow Forecast

The Company's cash flow forecast (the "Forecast") is presented in millions of United States dollars. Any estimates in Canadian dollars have been translated at a foreign exchange rate of 1.38:1.

In preparing this cash flow forecast, the Company has relied upon unaudited financial information and has not attempted to further verify the accuracy or completeness of such information. The Forecast includes assumptions described below with respect to the requirements and impact of a filing under the Companies' Creditors Arrangement Act. Since the Forecast is based on assumptions about future events and conditions that are not ascertainable, the actual results achieved during the Forecast period will vary from the Forecast, even if the assumptions materialize, and such variations may be material. There is no representation, warranty or other assurance that any of the estimates, forecasts or projections will be realized.

- [1] **Purpose:** The purpose of the Forecast is to estimate the Company's liquidity requirements during the period May 30, 2026 to August 28, 2026 (the "**Forecast Period**").
- [2] **Receipts:** Receipts from the Company's off-take financing partner are based on forecast invoice amounts under the 2026 off-take agreement. Off-take receipts are received throughout the year, while inventory buyback and shipping sales occur during July to October each year. The Company has hedged approximately half of its 2026 production. Commercial Payments relate to shipping and freight costs associated with delivering sales.
- [3] **Labour:** Forecast based on planned production levels at Mary River Mine and management and overhead labour required to support same. The Company is current with all labour costs and related CRA payments.
- [4] **Vendor Payments:** Disbursements to commercial vendors, freight suppliers, government entity payments and various other operating costs required to facilitate continued mine operations. Includes an estimated amount that may be required to be paid to critical vendors for pre-filing amounts. Also includes amounts owed to the Qikiqtani Inuit Association and related parties in accordance with the Benefits Agreement as of May 15, 2026.
- [5] **Sealift Purchases:** Disbursements for consumables, freight, fuel and vendor pre-payment amounts required for shipment of goods to the Mary River Mine during the Sealift window.
- [6] **Sustaining Capital Costs:** Capital costs necessary to support and maintain operations at the Mary River Mine.
- [7] **Overhead Costs:** Payments for office general and administrative expenses, land lease payment to the QIA and insurance instalment payments.
- [8] **Exploration:** Exploration costs are associated with location identification, discovery, and quantity and quality assessments of deposits in the Mary River Mine area.
- [9] **Steensby Project Costs:** Costs to advance the Steensby project, as well as stripping costs for movement of surface material usable towards the Steensby Railway.
- [10] **Other Costs:** Professional Fees, Interest costs, and costs to support LC issuance.
- [11] **Liquidity:** The Company estimates it will require approximately \$201 million of liquidity for the period May 30, 2026 to August 28, 2026 under the set of assumptions outlined above and included in the Forecast. The Forecast assumes, among other things, that (i) the company continues on a growth oriented mining plan and continues to incur associated stripping costs in order to achieve 22 Mtpa of iron ore production capacity by 2030, (ii) all major sealift items (fuel, parts, tires) continue to be cash purchased (and not brought to site on consignment), and (iii) major site services and related overheads remain unchanged. Note that the Forecast does not include amounts for interest, fees or other cost of capital considerations.

SCHEDULE C

LOAN GUARANTY

(a) Each Guarantor hereby agrees that it is jointly and severally liable for, and, as a primary obligor and not merely as surety, and absolutely and unconditionally and irrevocably guarantees to the DIP Agent for the ratable benefit of the DIP Lenders and the other secured parties (the “**Guaranty**”) the full and prompt payment, when and as the same shall become due, whether at stated maturity, upon acceleration or otherwise, and at all times thereafter, of the DIP Obligations (collectively the “**Guaranteed Obligations**”). Each Guarantor further agrees that the Guaranteed Obligations may be extended or renewed in whole or in part without notice to or further assent from it, and that it remains bound upon its guarantee notwithstanding any such extension or renewal. If any or all of the Guaranteed Obligations becomes due and payable hereunder, each Guarantor, unconditionally and irrevocably, promises to pay such indebtedness to the DIP Agent and/or the DIP Lenders or the other secured parties, on demand, together with any and all expenses which may be incurred by the DIP Agent and the DIP Lenders in collecting any of the Guaranteed Obligations, to the extent reimbursable in accordance with this Agreement.

(b) Guaranty of Payment. This Guaranty is a guaranty of payment and not of collection. Each Guarantor waives any right to require the DIP Agent or any DIP Lender to sue any Borrower, any other Guarantor or any other Person obligated for all or any part of the Guaranteed Obligations (each, an “**Obligated Party**”), or otherwise to enforce its rights in respect of any collateral securing all or any part of the Guaranteed Obligations. The DIP Agent may enforce this Loan Guaranty upon the occurrence and during the continuance of an Event of Default.

(c) No Discharge or Diminishment of Guaranty.

(i) Except as otherwise provided for herein, the obligations of each Guarantor hereunder are unconditional, irrevocable and absolute and not subject to any reduction, limitation, impairment or termination for any reason, including: (i) any claim of waiver, release, extension, renewal, settlement, surrender, alteration, or compromise of any of the Guaranteed Obligations, by operation of law or otherwise; (ii) any change in the corporate existence, structure or ownership of any Obligated Party; (iii) any insolvency, bankruptcy, reorganization or other similar proceeding affecting any Obligated Party, or their assets or any resulting release or discharge of any obligation of any Obligated Party; (iv) the existence of any claim, setoff or other rights which any Guarantor may have at any time against any Obligated Party, the DIP Agent, any DIP Lender or any other Person, whether in connection herewith or in any unrelated transactions; (v) any direction as to application of payments by any Borrower or by any other party; (vi) any other continuing or other guaranty, undertaking or maximum liability of a Guarantor or of any other party as to the Guaranteed Obligations; (vii) any payment on or in reduction of any such other guaranty or undertaking; (viii) any dissolution, termination or increase, decrease or change in personnel by the Borrowers or (ix) any payment made to the DIP Agent or any DIP Lender on the Guaranteed Obligations which any such DIP Agent or DIP Lender repays to any Borrower pursuant to court order in any bankruptcy, reorganization, arrangement, moratorium or other debtor relief proceeding, and each Guarantor waives any right to the deferral or modification of its obligations hereunder by reason of any such proceeding.

(ii) Except for termination of a Guarantor’s obligations hereunder, the obligations of each Guarantor hereunder are not subject to any defense (other than defense of payment resulting in a payment in full in cash of the Guaranteed Obligations)

or setoff, counterclaim, recoupment, or termination whatsoever by reason of the invalidity, illegality, or unenforceability of any of the Guaranteed Obligations or otherwise, or any provision of applicable law or regulation purporting to prohibit payment by any Obligated Party, of the Guaranteed Obligations or any part thereof.

(iii) Further, the obligations of any Guarantor hereunder are not discharged or impaired or otherwise affected by: (i) the failure of the DIP Agent or any DIP Lender to assert any claim or demand or to enforce any remedy with respect to all or any part of the Guaranteed Obligations; (ii) any waiver or modification of or supplement to any provision of any agreement relating to the Guaranteed Obligations; (iii) any release, non-perfection, or invalidity of any indirect or direct security for the obligations of the Borrowers for all or any part of the Guaranteed Obligations or any obligations of any other Guarantor or of other Person liable for any of the Guaranteed Obligations; (iv) any action or failure to act by the DIP Agent or any DIP Lender with respect to any collateral securing any part of the Guaranteed Obligations; or (v) any default, failure or delay, willful or otherwise, in the payment or performance of any of the Guaranteed Obligations, or any other circumstance, act, omission or delay that might in any manner or to any extent vary the risk of such Guarantor or that would otherwise operate as a discharge of any Guarantor as a matter of law or equity.

(d) Defenses Waived. To the fullest extent permitted by applicable law and except for termination of a Guarantor's obligations hereunder, each Guarantor hereby waives any defense based on or arising out of any defense of any Borrower or any other Guarantor or arising out of the disability of the Borrowers or any other Guarantor or any other party or the unenforceability of all or any part of the Guaranteed Obligations or any part thereof from any cause, or the cessation from any cause of the liability of any Borrower or any other Guarantor. Without limiting the generality of the foregoing, each Guarantor irrevocably waives acceptance hereof, presentment, demand, protest and, to the fullest extent permitted by law, any notice not provided for herein, including notices of nonperformance, notices of protest, notices of dishonor, notices of acceptance of this Guaranty, and notices of the existence, creation or incurrence of new or additional Guaranteed Obligations, as well as any requirement that at any time any action be taken by any Person against any Obligated Party, or any other Person, including any right to require the DIP Agent or any DIP Lender to (i) proceed against any Borrower, any other Guarantor or any other party, (ii) proceed against or exhaust any security held from any Borrower, any other Guarantor or any other party or (iii) pursue any other remedy in any DIP Agent's or DIP Lenders' power whatsoever. The DIP Agent may, at its election, foreclose on any collateral held by it by one or more judicial or nonjudicial sales, whether or not every aspect of any such sale is commercially reasonable (to the extent permitted by applicable law), accept an assignment of any such collateral in lieu of foreclosure or otherwise act or fail to act with respect to any collateral securing all or a part of the Guaranteed Obligations, and the DIP Agent may, at its election, compromise or adjust any part of the Guaranteed Obligations, make any other accommodation with any Obligated Party or exercise any other right or remedy available to it against any Obligated Party, or any security, without affecting or impairing in any way the liability of such Guarantor under this Guaranty. To the fullest extent permitted by applicable law, each Guarantor waives any defense arising out of any such election even though that election may operate, pursuant to applicable law, to impair or extinguish any right of reimbursement or subrogation or other right or remedy of any Guarantor against any Obligated Party or any security.

(e) Authorization. The Guarantors authorize the DIP Agent and the DIP Lenders without notice or demand (except as shall be required by applicable statute and cannot be waived), and without affecting or impairing its liability hereunder, from time to time, to:

(i) change the manner, place or terms of payment of, and/or change or extend the time of payment of, renew, increase, accelerate or alter, any of the Guaranteed Obligations (including any increase or decrease in the principal amount thereof or the rate of interest or fees thereon), any security therefor, or any liability incurred directly or indirectly in respect thereof, and this Guaranty shall apply to the Guaranteed Obligations as so changed, extended, renewed or altered;

(ii) take and hold security for the payment of the Guaranteed Obligations and sell, exchange, release, impair, surrender, realize upon or otherwise deal with in any manner and in any order any property by whomsoever at any time pledged or mortgaged to secure, or howsoever securing, the Guaranteed Obligations or any liabilities (including any of those hereunder) incurred directly or indirectly in respect thereof or hereof, and/or any offset there against;

(iii) exercise or refrain from exercising any rights against any Obligor or others or otherwise act or refrain from acting;

(iv) release or substitute any one or more endorsers, Guarantors, or the Borrowers, or other obligors;

(v) settle or compromise any of the Guaranteed Obligations, any security therefor or any liability (including any of those hereunder) incurred directly or indirectly in respect thereof or hereof, and may subordinate the payment of all or any part thereof to the payment of any liability (whether due or not) of the Borrowers to their creditors other than the DIP Agent or DIP Lenders;

(vi) apply any sums by whomsoever paid or howsoever realized to any liability or liabilities of the Borrowers to the DIP Agent or DIP Lenders regardless of what liability or liabilities of the Borrowers remain unpaid;

(vii) consent to or waive any breach of, or any act, omission or default under, this Agreement or any of the instruments or agreements referred to herein, or otherwise amend, modify or supplement this Agreement or any related documents or other such instruments or agreements; and/or

(viii) take any other action which would, under otherwise applicable principles of common law, give rise to a legal or equitable discharge of the Guarantors from their respective liabilities under this Loan Guaranty.

(f) Rights of Subrogation. Any indebtedness of the Borrowers now or hereafter owing to any Guarantor is hereby subordinated to the Obligations owing to the DIP Agent and the DIP Lenders; and if the DIP Agent so requests at a time when an Event of Default exists, all such indebtedness of the Borrowers to such Guarantor shall be collected, enforced and received by such Guarantor for the benefit of the DIP Agent and the DIP Lenders and be paid over to the DIP Agent on behalf of the DIP Lenders on account of the Guaranteed Obligations, but without affecting or impairing in any manner the liability of such Guarantor under the other provisions of this Guaranty.

(g) Reinstatement; Stay of Acceleration. If at any time any payment of any portion of the Guaranteed Obligations is rescinded or must otherwise be restored or returned upon the insolvency, bankruptcy, or reorganization of any Borrower or otherwise, each Guarantor's obligations under this Guaranty with respect to that payment shall be reinstated at such time as though the payment had not been made. If acceleration of the time for payment of any of the

Guaranteed Obligations is stayed upon the insolvency, bankruptcy or reorganization of any Borrower, all such amounts otherwise subject to acceleration under the terms of any agreement relating to the Guaranteed Obligations shall nonetheless be payable by the other Guarantors forthwith on demand by the DIP Agent.

(h) Liability Cumulative. The liability of each Guarantor under this Loan Guaranty is in addition to and shall be cumulative with all liabilities of such Guarantor to the DIP Agent and the DIP Lenders under this Agreement and any related documents to which such Guarantor is a party or in respect of any obligations or liabilities of the other Guarantors, without any limitation as to amount, unless the instrument or agreement evidencing or creating such other liability specifically provides to the contrary.

DIP FACILITY LOAN AGREEMENT

DATED AS OF May 11, 2026

WHEREAS Baffinland Iron Mines Corporation and Baffinland Iron Mines LP (collectively, the "**Borrowers**") have requested the DIP Lenders (defined below) to provide funding in order to assist with proceedings under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**") that were commenced before the Ontario Superior Court of Justice – Commercial List (the "**Court**") in accordance with the terms and conditions set out herein (the "**CCAA Proceeding**");

AND WHEREAS the DIP Lenders have agreed to provide the DIP Facility (defined below) in accordance with the terms and conditions set out below.

NOW THEREFORE, in consideration of the foregoing and their respective representations, warranties, covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereby agree as follows:

1. **Defined Terms:** A capitalized term not defined in the body of this Agreement has the meaning ascribed to it in the Definitions section below.
2. **Interpretation:** In this Agreement, words signifying the singular number include the plural and *vice versa*, and words signifying gender include all genders. Every use of the word "including" in this Agreement is to be construed as meaning "including, without limitation".

The division of this Agreement into Sections and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement.

References in this Agreement to Sections or Schedules are to be construed as references to a Section or Schedule of or to this Agreement unless the context requires otherwise.
3. **Currency:** Unless otherwise stated, all monetary denominations shall be in lawful currency of the United States of America.
4. **Borrowers:** Baffinland Iron Mines Corporation ("**BIM Corp**") and Baffinland Iron Mines LP ("**Baffin LP**") and, together with BIM Corp, the "**Borrowers**").
5. **Guarantors:** Nunavut Iron Ore, Inc. and 12334992 Canada Inc. (collectively, the "**Guarantors**" and collectively with the Borrowers, the "**Obligors**").
6. **DIP Lenders:** The institutions described in Schedule A (on behalf of themselves and their affiliates and managed funds) hereby commit to provide the DIP Facility, on a ~~joint and several~~ and not joint basis ~~(collectively, in the "**DIP Lenders**")~~ respective amounts set forth adjacent to each such institution's name in Schedule A upon the terms and conditions set forth in this Agreement. ~~As between themselves, (collectively, the "**DIP**~~

¹. ~~Note to Draft: It is uncompetitive for the Borrowers to seek redress against individual DIP Lenders. The DIP Lenders' obligations should be joint and several vis-à-vis the Borrowers. The DIP Lenders are free to~~

~~Lenders' respective commitments are set forth adjacent to each DIP Lender's name in Schedule A").~~

An institution acceptable to the Required DIP Lenders shall act as administrative agent and as collateral agent for the DIP Facility (in such capacities, the "DIP Agent").

An institution acceptable to the Required DIP Lenders shall act as fronting lender (the "Fronting Lender") pursuant to which the Fronting Lender shall fund each Advance on behalf of the DIP Lenders and subsequently assign such funded DIP Loans to the DIP Lenders pursuant to arrangements agreed by the Fronting Lender and ~~the~~ each of the DIP Lenders. The Fronting Lender shall be a "DIP Lender" for all purposes herein so long as the Fronting Lender holds commitments in respect of the DIP Facility or any DIP Loans.

Upon the Borrowers' acceptance of this Agreement, this Agreement shall be amended and restated to include the DIP Agent and the Fronting Lender as parties hereto and to, among other things, add customary agency provisions for the benefit of the DIP Agent and fronting lender provisions for the benefit of the Fronting Lender, in each case, that are acceptable to the Borrowers, the DIP Agent, the Required DIP Lenders and the Fronting Lender (solely with respect to the fronting lender provisions), in each case, acting reasonably.

7. **DIP Facility:** The DIP Lenders agree to establish in favour of the Borrowers a debtor-in-possession delayed draw term loan facility (the "DIP Facility" and, the loans thereunder, the "DIP Loans") in the principal amount equal to ~~to \$[300 million]~~ (the "Loan Amount").² No amount capitalized as principal hereunder shall reduce the availability of the full Loan Amount to the Borrowers.

8. **DIP Advances:** Advances under the DIP Facility in the aggregate principal amount of up to \$110 million (the "Bridge Advances") shall be made available to the Borrowers during the four week period beginning on the date that is one Business Day after the date of the Second Amended and Restated Initial Order (the "Bridge Period"), subject to satisfaction of the Subsequent Advance Conditions (other than the first advance under the DIP Facility (the "Initial Advance"), ~~which~~). The Initial Advance of \$70 million shall be advanced to the BorrowerBorrowers on the date of the Second Amended and Restated Initial Order—and is, subject to satisfaction of the Initial Advance Conditions). Interest shall accrue and be payable on the Bridge Advances pursuant to the terms hereof.

~~Notwithstanding anything else to the contrary herein, fees accruing on~~

~~DIP Lenders' obligations should be joint and several vis-à-vis the Borrowers. The DIP Lenders are free to make their own arrangements among each other.~~

². **Note to Draft:** Consider size of the DIP Facility Amount in connection with expected DIP Advisor Fees to be incurred during the CCAA Proceeding and to account for a KERF in the range of [X], each of which are not yet accounted for in the financial model.

~~or levied in relation to or in respect of the Bridge Advances, and professional fees or expenses payable in connection with the Bridge Advances shall not be payable by the Obligor, and none of the Obligor shall be liable for the payment of such amounts, whether as Indebtedness or as an obligation or liability of any kind, nor shall such amounts form a part of the DIP Obligations during the Bridge Period. For greater certainty, interest shall accrue and be payable on the Bridge Advances pursuant to the terms hereof. In the event the DIP Facility is not refinanced or otherwise assigned by the DIP Lenders, the DIP Agent or the Fronting Lender during the Bridge Period, the fees that have accrued or would have otherwise been payable to the DIP Lenders, the DIP Agent or the Fronting Lender pursuant to the terms hereof and any professional fees or expenses that would have otherwise been payable hereunder by the Borrowers, in each case but for the limitations provided herein, shall be deemed to have accrued and shall be payable from the date of the Initial Advance to but excluding the last day of the Bridge Period and shall form a part of the DIP Obligations. If the Bridge Facility is so refinanced or otherwise assigned, no such fees or professional fees and expenses shall be owing or payable by any Obligor.~~

Subsequent advances under the DIP Facility, including during the Bridge Period (each, a "Subsequent Advance") shall be made available to the Borrowers subject to satisfaction, at the time of each Subsequent Advance, of the Subsequent Advance Conditions, and shall be deposited into the Borrowers' Account (defined below) every other week (or as otherwise agreed by the Borrowers and the Required DIP Lenders), with each Subsequent Advance being in an amount no less than \$20 million,³ in each case subject to the satisfaction of the Subsequent Advance Conditions (as defined below). The sum of the Initial Advance and the Subsequent Advances shall not exceed the Loan Amount. The timing and amount of each Subsequent Advance shall be determined based on the funding needs of the Borrowers as set forth in the Approved Cash Flow Forecast, and Subsequent Advances shall only be available and provided hereunder after the Borrowers have received the entirety of the Initial Advance.

Advances under the DIP Facility, other than the Initial Advance (each, an "**Advance**") require a written notice to be delivered to the DIP Agent and the DIP Lenders, at least three (3) Business Days prior to the requested date of the Advance, or such shorter period as may be agreed by the Required DIP Lenders in advance (each, an "**Advance Notice**"), which has been executed by an officer of the Borrowers setting out: (a) the proposed amount of the requested Advance; (b) the date the Advance is required; and (c) certification that the representations and warranties contained herein are true and correct in all material respects as of such date.

³. ~~Note to Draft: Advances are required to be made in accordance with the Approved Cash Flow Forecast elsewhere.~~

Each Advance, on behalf of and at the request of each of the DIP Lenders, shall be provided by and funded to the DIP Agent by the Fronting Lender and subsequently assigned to the DIP Lenders pursuant to arrangements agreed by the Fronting Lender and each DIP Lender. The Fronting Lender shall deposit into the Borrowers' Account the amount requested by the Borrowers pursuant to the Advance Notice on the requested date of the Advance, net of all fees, costs and expenses to be paid in connection with such Advance pursuant to a funds direction to be delivered prior to the date of such Advance; provided that (x) with respect to the Initial Advance, the Initial Advance Conditions are satisfied as of such date and (y) with respect to each Advance after the Initial Advance, the applicable conditions described in this section 8 and the applicable Subsequent Advance Conditions are satisfied as of such date.

9. **Use of Proceeds:** The proceeds of the DIP Facility shall be used solely by the Borrowers in accordance with the Approved Cash Flow Forecast ~~(subject to Permitted Variances)~~, which shall include provision for payment, in all respects subject to and to the extent included in the Approved Cash Flow Forecast ~~(subject to Permitted Variances)~~, of (i) the fees of the Monitor and its counsel and counsel for the Obligors, (ii) interest, fees (including the Commitment/Funding Fee) and other amounts owing to the DIP Lenders under this Agreement, (iii) ~~post-filing expenses payable to the DIP Lenders or to the extent constituting Permitted Advisor Payments, their advisors under the DIP Facility,~~ DIP Lender Expenses and ordinary course payments for the Borrowers' working capital needs during the CCAA Proceeding, including, post-filing accounts payable in the ordinary course of the Business, and Priority Payables and in respect of the pursuit of the SISF, (iv) royalty payments under each of the Royalty Agreements when due and payable under such Royalty Agreement, but excluding, for the avoidance of doubt, any payments which are Prohibited Payments, (v) cash collateral required to support letters of credit issued by financial institutions, (vi) Pre-Approved Steensby ~~Capex~~ CapEx, and (vii) amounts payable under the Benefits Agreement.⁴ Without the prior written consent of the Required DIP Lenders (subject to the Supermajority DIP Lender Budget Consent Right), no proceeds may be used, and no expenditures shall be made, for any purpose that is not included in the Approved Cash Flow Forecast ~~(subject to Permitted Variances)~~. The foregoing list is illustrative and shall be subject to, and not construed as superseding in any respect, the prohibitions on payments provided for in Section 26 hereof and the consent rights of the DIP Lenders with respect to the Approved Cash Flow Forecast.
10. **Assignment by the Borrowers:** The Borrowers shall not be permitted to assign their interests in this Agreement without the prior written consent of ~~the Required~~ each DIP ~~Lenders, not be unreasonably withheld~~ Lender.

⁴- ~~Note to Draft: Deleted language is duplicative of lead-in language.~~

11. **Evidence of Indebtedness:** The DIP Agent shall maintain a register evidencing Advances and repayments under the DIP Facility and all other amounts owing from time to time hereunder. The DIP Agent register constitutes, in the absence of manifest error, *prima facie* evidence of the Indebtedness of the Borrowers to the DIP Lenders pursuant to the DIP Facility.
12. **Interest; Fees** All amounts owing by the Borrowers hereunder to the DIP Lenders on account of the principal, overdue interest and expenses shall bear interest at a rate per annum equal to ~~1-month Term SOFR from time to time~~ Adjusted Term SOFR (which, for purposes of this Agreement, shall have the meaning given to such term in the Senior Credit Agreement, treating the DIP Loans as SOFR Loans thereunder and utilizing a one-month Interest Period as set forth below) plus ~~4.75~~ 7.00%, payable entirely in cash on each Interest Payment Date (the ~~"Interest Rate"~~). To the extent permitted by Law, effective upon the occurrence of and during the continuance of an Event of Default, all ~~overdue~~ outstanding amounts owing to the DIP Lenders hereunder by the Borrowers on account of principal, overdue interest and expenses shall bear interest at the Interest Rate plus an additional 2% per annum (the Interest Rate, as increased, the **"Default Rate"**).
- All interest hereunder shall be computed on the basis of a year of 360 days and shall accrue and be calculated daily and payable in cash, monthly in arrears on the last Business Day of each month (each, an **"Interest Payment Date"**); provided that unless otherwise agreed by the Required DIP Lenders, interest accruing at the Default Rate shall be payable in cash on demand, both before and after demand and judgment.
- In the case of an Advance, the first ~~"Interest Period"~~ shall commence on and include the date of such Advance and shall end on and exclude the next following Interest Payment Date. Thereafter, in the case of such Advance, the Interest Period shall commence on and include the Interest Payment Date and end on and exclude the next Interest Payment Date or the Maturity Date, whichever is earlier.
- ~~If On the DIP Facility is not refinanced or otherwise assigned by the DIP Lenders during the Bridge Period, on the day~~ On the day ~~date which is 60 days following the Bridge Period~~ date on which the Initial Advance is made, the Borrowers shall, solely to the extent the DIP Facility has not been repaid or refinanced in full in cash as of such date, pay a fee (the ~~"Commitment/Funding Fee"~~) of ~~4.75~~ 3.00% of the Loan Amount to the DIP Lenders on a pro rata basis, which such Commitment/Funding Fee shall be payable in kind and capitalized on the principal amount of the DIP Loans on such date.-
- The Commitment/Funding Fee shall constitute part of the DIP Obligations, shall be secured by the DIP Charge, and shall bear interest at the Interest Rate-
- (or, after the occurrence and during the continuance of an Event of Default, the Default Rate). ~~Notwithstanding anything to the contrary in-~~

~~this section 12, this section 12 is subject to the restrictions on interest, fees and expenses imposed under section 8 with respect to Bridge Advances.~~

13. **Other Costs and Expenses:**

~~Subject to the limitations in Section 8, the Borrowers~~The Borrower shall pay (either in cash or through Deemed Draws, as defined below) all reasonable and documented third-party out-of-pocket costs and expenses of the DIP Agent, ~~the each~~ DIP LendersLender and the Fronting Lender for all due diligence and all reasonable and documented fees, ~~out-of-pocket~~out-of-pocket expenses and disbursements of advisors (which, for the avoidance of doubt, shall include (i) Stikeman Elliott LLP, as counsel to the Senior Lenders, (ii) Paul, Weiss, Rifkind, Wharton & Garrison LLP, as special counsel to the Senior Lenders, (iii) a financial advisor to the Senior Lenders, (iv) Akin Gump Strauss Hauer & Feld LLP, as counsel to the Holder AHG, (v) Cassels Brock & Blackwell LLP, as counsel to the Holder AHG and (vi) Houlihan Lokey, as financial advisor to the Holder AHG, ~~and notwithstanding anything to the contrary herein which reasonable and documented fees, out of pocket expenses and disbursements of advisors shall not exceed \$■ per month (such amounts, "Permitted Advisor Payments"),⁵in each case~~), incurred ~~post CCAA filing~~ in connection with the preparation, negotiation and consummation of this Agreement or any other Restructuring Transaction, the administration of the DIP Facility and participation in the CCAA Proceeding, including any reasonable and documented third-party costs and out-of-pocket expenses incurred by the DIP Agent, the DIP Lenders and the Fronting Lender in connection with the enforcement of any of the rights and remedies available hereunder or under the DIP Security (~~such post CCAA filing expenses~~, collectively, the ~~"DIP Lender Expenses"~~). The DIP Lender Expenses shall form part of the DIP Obligations secured by the DIP Charge (as defined below). ~~All accrued~~ The Borrowers may, by providing notice to the DIP Lenders, opt to have DIP Lender Expenses ~~incurred post CCAA filing and prior to date of the Initial Advance shall be paid in full through deduction from the Initial Advance~~paid directly by the applicable DIP Lender to its advisors, provided that any such payment by any DIP Lender to any such advisor will result in a dollar-for-dollar increase in the principal amount outstanding under the DIP Facility owed to the applicable paying DIP Lender, effective as of the date of such payment (a "Deemed Draw").

14. **Approved Cash Flow Forecast:**

Attached hereto as Schedule B is a detailed cash flow projection (the "Initial Cash Flow Forecast"), which is in form and substance satisfactory to the Required DIP Lenders and which may include, *inter alia*, provision for payments on account of any interest and expenses which may be payable under the DIP Facility, rent and other occupancy costs, supplier payments, cash collateral required to support letters of credit issued by financial institutions, post-filing accounts payable in the

⁵. ~~Note to Draft: Please provide a figure for the DIP Lender's professional advisor fees. This will affect the net proceeds available to the Borrower.~~

ordinary course of the Business, Priority Payables, payments of amounts payable under the Royalty Agreements (but excluding, for the avoidance of doubt, any royalty payments which are Prohibited Payments) and the Benefits Agreement, and the costs and expenses associated with the CCAA Proceeding. The foregoing list is illustrative and shall be subject to, and not construed as superseding in any respect, the prohibitions on payments provided for in Section 26 hereof and the consent rights of the DIP Lenders with respect to the Approved Cash Flow Forecast.

The Borrowers, with the assistance of the Monitor, shall, from time to time as required by this Agreement, present the DIP Lenders with a revised cash flow forecast in a substantially similar form (the "**Updated Cash Flow Forecast**"). Upon the written approval of the Required DIP Lenders (subject to the Supermajority DIP Lender Budget Consent Right), the Updated Cash Flow Forecast shall thereafter be deemed to be the effective cash flow forecast (the **"Approved Cash Flow Forecast"**) for the purposes hereof. Until such time as the Required DIP Lenders (subject to the Supermajority DIP Lender Budget Consent Right) approve an Updated Cash Flow Forecast, the prior Approved Cash Flow Forecast shall remain in effect⁶, with disbursement lines in the Operating Disbursements section (each, an "OpEx Cost") set forth in the then applicable Initial Cash Flow Forecast or Approved Cash Flow Forecast, as applicable, being rolled forward at the end of the period covered by such prior Approved Cash Flow Forecast, and all other line items being limited to any unused portion of the amount set forth for such line item in the prior Approved Cash Flow Forecast. The DIP Lenders shall be under no obligation to approve any Updated Cash Flow Forecast notwithstanding any prior approval of any prior or then-current Approved Cash Flow Forecast, recognizing that if no such approval is given the ~~then prior~~⁷ Approved Cash Flow Forecast shall remain in effect⁷ subject to the foregoing limitations.

Notwithstanding any other provision of this Agreement, neither the DIP Agent nor the DIP Lenders shall be obligated to make any advance under the DIP Facility unless the Borrowers are in compliance with the Approved Cash Flow Forecast (which may, for the avoidance of doubt and in the event that a Subsequent Cash Flow Forecast is not approved as required hereunder, be the prior Approved Cash Flow Forecast subject to the limitations on rolling-forward set forth above).

The DIP Lenders agree to ~~provide for approvals in~~ approve allocations in the Approved Cash Flow ~~Forecast to~~ Forecasts in respect of capital expenditures ~~in connection with Pre-Approved Steensby CapEx.~~

for the Steensby Railway project and related financing process (the "Steensby Expansion") and exploration costs in an aggregate amount

⁶- ~~Note to Draft: Limiting the roll forward to opex will starve the business intended to be operated in the ordinary course. It is not competitive.~~

⁷- ~~Note to Draft: Deleted items are duplicative of the above.~~

~~not in addition to~~ not exceed the Pre-Approved Steensby CapEx, ~~the DIP Lenders agree to provide for approvals in allocations in the Approved Cash Flow Forecast to~~ amount. This obligation shall not require and shall not be construed as requiring any approvals in any respect in excess thereof; provided that the DIP Lenders shall, subject to agreement with the Borrowers on the terms of the SISF, the views of their financial advisors, and further understanding regarding non-discretionary spending with respect to the Steensby Expansion and exploration costs, discuss with the Borrowers approving additional amounts to be allocated to the Steensby Expansion and exploration costs with such allocations to remain subject to the Required DIP Lenders' sole discretion (subject to the Supermajority DIP Lender Budget Consent Right); provided, however, that the DIP Lenders shall agree to approve additional capital expenditures in connection with the Steensby Expansion or any additional exploration costs at such time as the Borrowers have (i) obtained one or more bona fide, binding, irrevocable bids in the SISF that provide for (A) the repayment in full in cash of the DIP Facility and the obligations under the Senior Credit Agreement and the Senior Secured Notes on or prior to the closing of such sale transaction, and (B) the consent of such bidder(s) to pursue the Steensby ~~Railway project and related financing process (the "Steensby Expansion")~~ and further exploration, with a plan for execution which is reasonably acceptable to the Required DIP Lenders; (ii) submitted to the DIP Lenders supporting plans including engineering, design and operations acceptable to the Required DIP Lenders; and (iii) liquidity which is reasonably acceptable to the Required DIP Lenders; provided, however, that the approval of the Supermajority DIP Lenders shall be required with respect to allocations of more than \$95 million to the Steensby Expansion or exploration in any Updated Cash Flow Forecast (the "Supermajority DIP Lender Budget Consent Right").

15. **Conditions
Precedent to
the Initial
Advance:**

The DIP Lenders' obligation to make the Initial Advance hereunder from the Loan Amount is subject to, and conditional upon, the satisfaction of all of the following conditions precedent (the ~~"Initial Advance Conditions"~~):

- (a) the Court shall have issued the Second Amended and Restated Initial Order in form and substance satisfactory to the DIP Agent, the Required DIP Lenders and the Fronting Lender, acting reasonably, among other things:
 - (i) authorizing and approving this Agreement;
 - (ii) granting the DIP Charge and the priority of the DIP Charge contemplated in this Agreement;
 - (iii) granting a stay of proceedings until no earlier than September 30, 2026; and-
 - ~~(iv)~~ (iv) providing for provisional execution, or other ~~satisfactory~~ satisfactory to the Required DIP Lenders, in respect of any and all Advances made and/or Liens and/or

charges granted for the DIP Loans, including the DIP Charge;

and the operation and effect of such order shall not have been stayed, amended, modified, reversed, waived, dismissed or appealed (or any such appeal shall have been dismissed with no further appeal therefrom or the applicable appeal periods shall have expired) and no notices of the foregoing shall have been filed, unless otherwise agreed by the Required DIP Lenders, in their ~~reasonable~~sole discretion;

(b) the DIP Lenders shall have received an Advance Notice in accordance with the terms hereof;

~~(b) [reserved];⁸~~

~~(c) [reserved];~~

(c) ~~(d)~~ no Default or Event of Default shall have occurred and be continuing or will occur as a result of the Initial Advance; ~~and~~

(d) ~~(e)~~ there shall be no Encumbrances on the Collateral ranking in priority to or *pari passu* with the DIP Charge other than as expressly permitted by the terms hereof;⁹

(e) the Obligors shall have delivered to the DIP Agent customary officer's certificates and authorizing directors' resolutions, in form and substance satisfactory to the Required DIP Lenders; and

(f) the Borrowers shall have confirmed to the DIP Agent and the Required DIP Lenders that all Authorizations which the Borrowers held as of the filing date of the CCAA Proceedings (the "Filing Date") remain in place.

16. **Conditions
Precedent to
Subsequent
Advances ~~of
the Loan
Amount (other
than the Initial
Advance)~~:**

The DIP Lenders' agreement to make ~~any additional~~ Subsequent Advances ~~available from the Loan Amount~~, including during the Bridge Period, is subject to, and conditional upon, the satisfaction of all of the following conditions precedent (the ~~"Subsequent Advance Conditions"~~):

(a) the Second Amended and Restated Initial Order shall not have been stayed, amended, modified, reversed, waived, dismissed or appealed (or any such appeal shall have been dismissed with no further appeal therefrom or the applicable appeal periods shall have expired) and no notices of the foregoing shall have been filed, unless otherwise agreed by the Required DIP Lenders, in their ~~reasonable~~sole discretion;

⁸. ~~Note to Draft: The Initial Advance will occur during the Bridge Period and so no fees, etc. should be payable.~~

⁹. ~~Note to Draft: Deleted deliveries are overly burdensome. The key permit for the mine is the Project Certificate. There are otherwise a very large number of permits. It is not workable in context and will consume too much management time for little benefit. DIP Lenders have also not provided a compelling reason as to why the list is necessary.~~

- (b) ~~[reserved]~~ the Second Amended and Restated Initial Order has not been amended, restated or modified in a manner that materially adversely affects the rights, remedies or interests of the DIP Lenders without the prior written consent of the Required DIP Lenders; provided that any such modification which would require the consent of a given DIP Lender under section 34 hereof be subject to such DIP Lenders' consent;
- (c) the DIP Lenders shall have received an Advance Notice in accordance with the terms hereof;
- (d) ~~subject to section 8, all reasonable and documented third-party out-of-pocket DIP Lender Expenses~~ expenses payable to the DIP Agent, the DIP Lenders and the Fronting Lender hereunder have been paid by the Borrowers in cash or via a Deemed Draw, or will be paid from the proceeds of the requested Advance on the date of the applicable Advance;
- (e) there shall be no Encumbrances on the Collateral ranking in priority to or *pari passu* with the DIP Charge other than as expressly permitted by the terms hereof;
- (f) no Default or Event of Default shall have occurred and be continuing or will occur as a result of the requested Advance;
- (g) ~~[reserved];~~⁴⁰ the Borrowers shall have confirmed to the DIP Agent and the Required DIP Lenders that all Authorizations which the Borrowers held as of the Filing Date remain in place; and
- (h) the Borrowers are in compliance with the ~~current~~ Approved Cash Flow Forecast (subject to Permitted Variances) as ~~at~~⁴¹ of the date of the proposed ~~Advance;~~⁴²
- ~~(i) Subsequent Advance (which may, for the avoidance of doubt and in the event that a Subsequent Cash Flow Forecast is not approved as required hereunder, be the prior Approved Cash Flow Forecast subject to the limitations on rolling-forward set forth in Section 14 above).~~ ~~[reserved].~~⁴²

17. **DIP Charge:** All of the obligations of the Obligor under or in connection with the DIP Facility, including without limitation, all principal, interest, fees and DIP Lender Expenses (collectively, the "**DIP Obligations**"), shall be secured by a Court-ordered charge on the Collateral in favour of the DIP Agent, for the benefit of the DIP Lenders (the "**DIP Charge**").

The DIP Charge shall rank ahead of any and all Encumbrances on the Collateral other than (i) the administration charge not exceeding \$5.0

⁴⁰ ~~Note to Draft: Breach of covenant is an EoD, so it subsumed by (f).~~

⁴¹ ~~Note to Draft: The requirement to agree an updated cash flow (vs. rolling) effectively makes this a single draw facility at the discretion of the DIP Lenders which is not acceptable.~~

⁴² ~~Note to Draft: Non-compliance with SISP Milestones is an Event of Default which is already a draw condition.~~

million, (ii) the directors and officers charge not exceeding \$20.4 million, and (iii) in respect of the Cash Collateral (as defined in the Amended and Restated Initial Order) (collectively, the "**Priority Charges**"), in each case unless otherwise consented by the Required DIP Lenders ~~(acting reasonably)~~.¹³

18. **DIP Security:** The Guarantors hereby guarantee in favour of the DIP Agent, for the benefit of the DIP Lenders, the payment and performance of the DIP Obligations of the Borrowers¹⁴ pursuant to the terms set forth in Schedule C hereto.

The DIP Lenders shall be permitted to request DIP Security (in form and substance reasonably satisfactory to the Required DIP Lender) from the Obligors at any time. The DIP Security shall continue as a first priority Encumbrance on the Collateral in favour of the DIP Agent, for the benefit of the DIP Lenders, subject to subordination only in respect of the Priority Charges and Priority Payables. For greater certainty, the delivery of DIP Security shall not be a condition precedent to the Initial Advance or any other advances of the Loan Amount as set out in sections 15 and 16.

19. ~~[Reserved]~~¹⁵ Hedging Program The Borrowers will use best efforts to implement a hedging program, working in consultation with the DIP Lenders, to manage volatility and protect the cost position of the business including, without limitation, with respect to iron ore and fuel.

20. **Borrowers' Account:** Advances shall be deposited into a bank account to be designated by the Borrowers (the "**Borrowers' Account**") and utilized by the Borrowers in accordance with the terms of this Agreement. At the request of the DIP Lenders, the Borrowers shall put in place a blocked account agreement in favour of the DIP Agent (for the benefit of the DIP Lenders) thereon on such terms as are acceptable to the Required DIP Lenders, in their discretion. Any such blocked account agreement shall not impose a payment block ~~absent the occurrence of~~ unless the Required DIP Lenders (or the DIP Agent acting at the instruction of the Required DIP Lenders) provide instruction to impose such a block, which instruction may not be given unless an Event of Default ~~that has occurred and~~ is continuing.

21. **Repayment and Maturity Date:** All DIP Obligations shall be due and payable on the earliest of the occurrence of any of the following:
- (a) conversion of the CCAA Proceeding into a proceeding under the *Bankruptcy and Insolvency Act* (Canada);
 - (b) the ~~date which is fifteen (15) days after~~ occurrence of an Event of

¹³ ~~Note to Draft: Deletion covered by negative covenants.~~

¹⁴ ~~Note to Draft: Detailed guarantee provisions are unnecessary in the context of a court approved DIP.~~

¹⁵ ~~Note to Draft: Hedging and ranking of related security to be discussed post DIP.~~

Default and a demand for payment ~~is made~~ by the DIP Agent (at the request of the Required DIP Lenders) following ~~the~~such occurrence and the expiration of any applicable cure period if such Event of Default ~~that~~ is continuing as of ~~such~~the date of such request, unless the Required DIP Lenders (or the DIP Agent acting at the direction of the Required DIP Lenders) shall have rescinded such demand for payment;

- (c) the closing of a Restructuring Transaction or combination of Restructuring Transactions; or
- (d) [the date that is ~~eighteen~~twelve (~~18~~12) months after the granting of the Second Amended and Restated Initial Order, subject to the extensions set forth below (the "~~Stated Maturity Date~~")]

(such earliest date, the "**Maturity Date**").

The Stated Maturity Date may be extended ~~one time~~two times (without counting the Additional Extension, as defined below) by the Borrowers for up to ~~six~~three (~~6~~3) months each time, provided that (i) the Borrowers deliver a written extension request to the DIP Agent not less than ten (10) days prior to the then applicable Stated Maturity Date, (ii) no Default or Event of Default exists on the then applicable Stated Maturity Date, (iii) the Borrowers shall have paid an extension fee (the "Extension Fee") on the date of each such extension equal to ~~one~~two percent (~~1~~2%) of the DIP Loans outstanding at such time, payable in-kind on the date of such extension to the DIP Agent on behalf of the DIP Lenders on a pro rata basis and capitalized on the principal amount of the DIP Loans as of such date and (iv) the Borrowers shall have provided to the DIP Agent and the DIP Lenders an Updated Cash Flow Forecast as approved by the Monitor and which shall be in form and substance satisfactory to the Required DIP Lenders ~~acting reasonably~~(subject to the Supermajority DIP Lender Budget Consent Right), through and including the date to which the Stated Maturity Date is extended; provided that if a binding offer has been obtained in the SISF which is acceptable to the Required DIP Lenders prior to the Maturity Date and at the time such an extension is sought, the Borrowers may, only once and subject to satisfaction of the requirements set forth in the foregoing provisos (i), (ii), and (iv), extend the Maturity Date for an additional three (3) months (the "Additional Extension") without paying an Extension Fee for such extension.

The DIP Lenders' commitment to make Advances under the DIP Facility shall expire on the Maturity Date and all amounts outstanding under the DIP Facility shall be fully repaid no later than the Maturity Date, without the DIP Lenders being required to make demand upon the Borrowers or Guarantors or to give notice that the DIP Facility has expired and that the obligations thereunder are due and payable.

22. **Payments:**

All payments of principal, interest and expenses hereunder, if applicable, shall be made for value in the full amount due at or before 12:00 noon on the day such amount is due by deposit or transfer thereof to the DIP Agent or as the DIP Lenders may direct. Payments received

after such time shall be deemed to have been made on the next following Business Day. If any payment is due on a day which is not a Business Day, such payment shall be due on the next following Business Day and interest shall accrue until but excluding the actual date of payment. Each payment to be made by the Borrowers under this Agreement shall be made in full without deduction, set-off or counterclaim of any kind or for any reason. If any expenses incurred by the Borrowers after the date of this Agreement are not paid by the Borrowers, the DIP Agent may, but shall have no duty to do so, pay all such expenses whereupon such amounts shall be added to and form part of the DIP Obligations and shall reduce the availability under the DIP Facility. Unless otherwise consented to in writing by the Required DIP Lenders, the net cash proceeds of any sale, realization or disposition of, or with respect to, any of the Collateral (including obsolete, excess or worn-out Collateral) out of the ordinary course of business (for greater certainty, net of transaction fees and applicable taxes in respect thereof), or any insurance proceeds (net of expenses incurred by the applicable Obligor in connection therewith, including transaction fees and applicable taxes in respect thereof) (each "**Net Proceeds**") paid to the Borrowers or Guarantors in respect of Collateral, shall be paid to the DIP Agent (for the benefit of the DIP Lenders) and applied to reduce prepay the DIP Obligations ~~and permanently reduce and cancel an equivalent portion of the Facility Amount~~ (or, if no DIP Obligations are then outstanding, reduce the commitments of the DIP Lenders ratably) in an amount equal to the Net Proceeds of such sale, realization, disposition or insurance; ~~provided that~~ proceeds. Any such amount repaid may not be reborrowed.

Notwithstanding the foregoing, in lieu of such prepayment, the applicable Obligor shall be permitted to apply such Net Proceeds within ~~180~~ [30] days after the receipt thereof by such Obligor to, or to contract to, repair or replace the affected Collateral, subject to such Obligor's written notice thereof to the DIP Lender promptly following the sale, realization, disposition or casualty event in respect of insurance proceeds. ~~Any such amount repaid may not be reborrowed; provided,~~ that any Net Proceeds shall be held in a segregated account until such time as they are utilized for repayment or reinvestment as permitted in this Section 22, and not otherwise disbursed.

23. **Indemnity;**
Limitation of
Liability:

~~Subject to section 8, the~~ The Obligor agree to indemnify and hold harmless the DIP Agent, the DIP Lenders, the Fronting Lender and their respective Affiliates, partners and officers, directors, employees, representatives, advisors, solicitors and agents (collectively, the "**Indemnified Persons**") from and against any and all actions, lawsuits, proceedings (including any investigations or inquiries), claims, losses, damages, liabilities or reasonable and documented third-party expenses of any kind or nature whatsoever which may be incurred by any of the Indemnified Persons (collectively, the "**Claims**") as a result of, in connection with or in any way related to the DIP Facility, the priority of the DIP Charge, the proposed or actual use of the proceeds of the DIP Facility or this Agreement; provided, however, that the Obligor shall not

be obligated to indemnify pursuant to this paragraph any Indemnified Person against any Claim (a) to the extent it resulted from the gross negligence, wilful misconduct, bad faith, or material breach of agreementthis Agreement of any Indemnified Person as finally determined by a court of competent jurisdiction, or (b) to the extent arising from any dispute solely among Indemnified Persons other than any Claims arising out of any act or omission on the part of the Obligors, ~~or (c) arising from any appeal, motion to stay, vary, amend, or other proceeding brought by any party challenging the Second Amended and Restated Initial Order, to the extent such challenge relates to the DIP Facility, and only if the Bridge Facility is refinanced or otherwise assigned during the Bridge Period. The Obligors shall not be responsible or liable to any Indemnified Person or any other person for consequential or punitive damages.~~ Notwithstanding anything to the contrary herein, the indemnities granted under this Agreement shall survive any termination of the DIP Facility.

No party hereto shall be liable to any other party hereto for consequential, special, or punitive damages arising under this Agreement.

24. **Representations and Warranties:**

Each Obligor represents and warrants to the DIP Agent and DIP Lenders, upon which the DIP Agent and each of the DIP Lenders has relied in entering into this Agreement that:

- (a) such Obligor is validly formed and existing under the laws of its jurisdiction of incorporation or formation;
- (b) such Obligor has the power and capacity, ~~to own or lease and operate its property, to carry on its business as now conducted and as proposed to be conducted,~~ and subject to Court approval of this Agreement, to enter into, execute, deliver and perform its obligations under this Agreement;⁴⁶
- (c) ~~[reserved];~~⁴⁷ such Obligor has taken all necessary action to authorize the execution, delivery and performance of this Agreement. Subject to the issuance of the Second Amended and Restated Initial Order and the terms thereof, no consent or authorization of, filing with, notice to or any other act by, or in respect of, any governmental authority or other person is required in connection with the extensions of credit hereunder or with the execution, delivery, performance, validity, or enforceability of this Agreement;
- (d) this Agreement and the transactions contemplated by this Agreement:
 - (i) are within the powers of such Obligor and, subject to the granting of the Second Amended and Restated Initial Order,

⁴⁶ **Note to Draft:** Deleted text covered by (d).

⁴⁷ **Note to Draft:** Deleted text covered by (d).

constitute legal, valid and binding obligations of such Obligor, enforceable against it in accordance with the terms hereof;

- (ii) have been duly authorized, executed and delivered by or on behalf of such Obligor; and
- (iii) subject to the granting of the Second Amended and Restated Initial Order, as applicable, do not and will not conflict with, contravene, violate or result in a breach of: (A) any of the terms or provisions of such ~~Obligor's~~Obligor's constating documents or by-laws, (B) any Material Contracts to which such Obligor is a party or pursuant to which any of its assets or property may be affected or (c) any applicable Law;
- (e) the Business of such Obligor has been and will continue to be conducted in material compliance with all applicable Laws (including environmental laws) of each jurisdiction in which the Business has been or is being carried on subject to the provisions of the CCAA and any Court order made after the date of the Initial Order, and such Obligor has no knowledge of any facts which result in, constitute, or are likely to give rise to, non-compliance with any Laws in any material respect;
- ~~(f) [reserved];~~⁴⁸
- (f) ~~(g)~~ such Obligor owns, leases or has the lawful right to use all of the material properties and undertaking necessary for the conduct of the business of such Obligor;
- (g) ~~(h)~~ such Obligor has obtained and/or maintained any material Authorizations for the operation of the Business, which Authorizations remain, and after entering into the DIP Facility will remain, in full force and effect. ~~No, and no~~ proceedings have been commenced to revoke or amend any such Authorizations;
- (h) ~~(i)~~ such Obligor does not have any defined benefit pension plans or similar plans and is in material compliance with all applicable Law respecting its employees' employment and all collective bargaining agreements to which it is a party or otherwise bound;
- (i) ~~(j)~~ such Obligor is current on its post-filing payment obligations for rent and other occupancy costs and expenses in respect of any premises that it leases;
- (j) ~~(k)~~ all of such ~~Obligor's~~Obligor's obligations (including fiduciary, funding, investment and administrative obligations, if any) required to be performed in connection with such ~~Obligor's~~Obligor's employee benefit plans have been performed on a timely basis;
- (k) ~~(l)~~ such Obligor has filed all Tax returns which were required to be filed and paid all Taxes (including interest and penalties) which are due and payable, except (i) as disclosed to the DIP

⁴⁸ ~~Note to Draft: Otherwise covered.~~

Lenders ~~prior to the date hereof~~⁴⁹ or advisors on [], 2026 at []am/pm or (ii) for charges, fees, or dues which are not material in amount or which are not delinquent or, if delinquent, are being contested in good faith ~~by appropriate proceedings~~ if adequate reserves for payment of such obligations in the event that such contests are unsuccessful;

(l) ~~(m)~~ such Obligor and each of its subsidiaries has good and valid title to, or legally binding property right in, or valid leasehold interests in, all material real property necessary or used in the ordinary conduct of its business, in each case free and clear of all Encumbrances other than ~~those Encumbrances permitted by section 4.10 of the Indenture and "Permitted Liens" under the Indenture (as same exists on the date of this Agreement)~~ and except for minor defects in title as would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the operations, or financial condition of the Obligors taken as a whole;

(m) ~~(n)~~ all information provided by or on behalf of such Obligor to the DIP Lenders, including with respect to the Steensby Expansion and the status of the SISF, for the purposes of or in connection with this Agreement or any transaction contemplated herein, is, true and accurate in all material respects on the date as of which such information was provided, not incomplete and does not omit to state any fact necessary to make such information (taken as a whole) not materially misleading at such time, in light of the circumstances under which such information was provided;

~~(o) [reserved];~~

(n) none of the Obligors owns or controls, directly or indirectly, any subsidiaries which are not Obligors.

(o) ~~(p)~~ each Obligor maintains adequate insurance coverage, as is customary with companies in the same or similar business of such type, in such amounts and against such risks as is prudent for a business of its nature with financially sound and reputable insurers and that contain reasonable coverage and scope;

(p) ~~(q)~~ except for those defaults which are stayed by the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order, or as disclosed to the DIP Lenders in writing on or after the date hereof, all Material Contracts are in full force and effect and are valid, binding and enforceable in accordance with their terms, ~~subject to the stay of proceedings granted by the Court in the CCAA Proceedings; and the Obligors do not have any knowledge of any default that has occurred and is continuing thereunder (other than those defaults arising as a result of or relating to the insolvency of the Obligors or any of their affiliates or the commencement of the CCAA~~

⁴⁹ ~~Note to Draft: Covers amounts potentially owed pursuant to Greenhouse Gas Pollution Pricing Act.~~

Proceeding);

- (q) ~~(r)~~ except as disclosed to the DIP Lenders in writing, on or after the date hereof, there are no agreements of any kind (i) between the Obligors and any other third party or any holder of debt or Equity Securities of the Obligors with respect to any Restructuring Transaction, which remain in force and effect as of the date hereof, or (ii) between the Borrowers and any related party;
- (r) ~~(s)~~ other than potential proceedings in connection with the Second Amended and Restated Initial Order to be sought by the Borrower, or this DIP Facility, or as stayed pursuant to the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order, there is not now pending or, to the knowledge of any of the senior officers of the Obligors, threatened against the Obligors, nor has any Obligor received notice in respect of, any claim, potential claim, litigation, action, suit, arbitration or other proceeding by or before any court, tribunal, governmental entity or regulatory body, in each case that would reasonably be expected to be material and adverse to the Obligors, taken as a whole;
- (s) ~~(t)~~ each Obligor has maintained and paid current its obligations, as applicable, for payroll, source deductions, harmonized, goods and services and retail sales tax, and is not in arrears of its statutory obligations to pay or remit any amount in respect of these obligations;
- (t) the Borrowers have not taken or omitted to take any action that would reasonably be expected to materially impact their continued operations, including (i) failing to procure any essential products needed before the shipping window closes (such as critical spare parts and any equipment, consumables, and supplies which are otherwise unable to be delivered during other months), (ii) ceasing their mining operations, or (iii) reducing their workforce in a manner which would reasonably be expected to cause such a material adverse impact; and
- ~~(u) [reserved];²⁰~~
- ~~(v) [reserved];²⁴~~
- ~~(w) [reserved]²²; and~~

²⁰ ~~Note to Draft: Covered by reps above.~~

²⁴ ~~Note to Draft: Too broad.~~

²² ~~Note to Draft: Subsumed by (n).~~

(u) ~~(x) [reserved]~~ no Default or Event of Default has occurred and is continuing.

25. **Affirmative Covenants:**

In addition to all other covenants and obligations contained herein, each Obligor agrees and covenants to perform and do each of the following until the DIP Facility is fully repaid or assigned with the written consent of the Required DIP Lenders:

- (a) submit to the Court the Second Amended and Restated Initial Order, and any other Court orders which are being sought by the Obligors in a form confirmed in advance to be satisfactory to the Required DIP Lenders ~~(acting reasonably)~~ subject to any amendments that are required by the Court ~~or the Obligors~~ that are acceptable to the Required DIP Lenders (acting reasonably);
- (b) comply with the provisions of all Court orders made in the CCAA Proceeding, including the Initial Order, Amended and Restated Initial Order and the Second Amended and Restated Initial Order;
- (c) use commercially reasonable efforts²³ to allow each of the DIP Agent, DIP Lenders and their respective employees, agents, advisors and representatives access to all Collateral, information and documentation of the Obligors, to visit, inspect and conduct examinations of any of such Collateral, information and documentation (including any books and records) and discuss its business operations, properties and financial and other conditions with its officers, employees and independent public accountants, in each case, as may be reasonably requested by the DIP Agent or Required DIP Lenders, during normal business hours, in each case subject to applicable privacy laws and solicitor-client privilege; *provided* that visits to Nunavut by any of the foregoing parties shall be subject to such limitations as the Borrowers ~~may from time to time~~ reasonably determine, are necessary including due to cost, interference with operations, seafift, shipping season, and the SISP;

~~(d) [reserved]~~;²⁴

- (d) ~~(e)~~ preserve, renew, maintain and keep in full force its corporate existence and its material Authorizations required in respect of the Business or any of the Collateral;
- (e) ~~(f)~~ keep the DIP Lenders apprised on a timely basis of all material developments with respect to the Business and affairs of the Obligors, including with respect to updates regarding the CCAA Proceeding, the SISP, and the Steensby Expansion;
- (f) ~~(g)~~ conduct the Business and preserve, protect and maintain the

²³ ~~Note to Draft: Given the location of the mine in Nunavut, some qualifier is required.~~

²⁴ ~~Note to Draft: subsumed by (f).~~

Collateral in the ordinary course of Business;

(g) ~~(h)~~—operate and maintain its respective properties and businesses in all material respects in accordance with industry practice and in all material respects in accordance with applicable Law and all Court orders made in the CCAA Proceeding, including the Initial Order, Amended and Restated Initial Order and the Second Amended and Restated Initial Order;

~~(i) [reserved];~~²⁵

(h) ~~(i)~~—except to the extent otherwise agreed by the Required DIP Lenders (acting reasonably), pay all applicable Priority Payables and all other amounts necessary to preserve the Collateral to avoid any Encumbrance thereon and to carry on the business of each Obligor in the ordinary course;

(i) ~~(k)~~—promptly notify the DIP Lenders of the occurrence of any Default or Event of Default;

(j) ~~(l)~~—comply in all material respects with all applicable Laws, rules and regulations applicable to its business, including environmental laws;

~~(m) [reserved];~~²⁶

(k) ~~(n)~~—use the proceeds of the DIP Facility in a manner consistent with the restrictions set out herein and in all cases in accordance with the Approved Cash Flow Forecast (subject to Permitted Variances);

(l) duly and punctually pay or cause to be paid to the DIP Agent on behalf of the DIP Lenders all principal, interest, fees, and other amounts payable by it under this Agreement on the dates, at the places and in the amounts set forth herein;

~~(o) [reserved];~~²⁷

~~(p) [reserved];~~²⁸

~~(q) [reserved];~~²⁹

(m) ~~(r)~~—on or prior to 5:00 p.m. (Toronto time) on the Monday of every [fourth] calendar week beginning after the date of this Agreement (each, a "Testing Period"), the Obligors shall have delivered to the DIP Agent and DIP Lenders (x) an Updated

²⁵ ~~Note to Draft: Covered by insurance covenant below.~~

²⁶ ~~Note to Draft: Subsumed by (c).~~

²⁷ ~~Note to Draft: Covered by EODs.~~

²⁸ ~~Note to Draft: The Borrower cannot authorize the Monitor—it is an independent court officer.~~

²⁹ ~~Note to Draft: Covered by EODs.~~

Cash Flow Forecast~~-~~ and (y) a Variance Report;³⁰

- (n) the Obligors shall have delivered to the DIP Lenders a business plan that is in form and substance satisfactory to the Required DIP Lenders by no later than the date that is three (3) months after the issuance of the Initial Order; and
- (o) On or prior to June 5, 2026 (or such later date as may be agreed to by the Borrowers and the Required DIP Lenders), the Obligors shall have entered into a key employee retention plan and/or a key employee incentive plan in form and substance acceptable to the Required DIP Lenders.
- ~~(s) [reserved];~~
- ~~(t) [reserved];~~
- (p) ~~(u)~~ at all times maintain adequate insurance coverage of such kind and in such amounts and against such risks as is customary for the business of the Obligors with financially sound and reputable insurers in coverage and scope acceptable to the Required DIP Lenders, acting reasonably, and, if requested by the Required DIP Lenders, cause the DIP Agent to be listed as a loss payee or additional insured (as applicable) on such insurance policies and notify the DIP Lenders of any claims or losses exceeding \$2,000,000. The Approved Cash Flow Forecast shall permit funding sufficient to pay the premiums in respect of such insurance;
- (q) ~~(v)~~ provide the DIP Agent and the DIP Lenders (by email to their counsel being sufficient) with draft copies of, and the opportunity to ~~review~~comment on, all motions, applications, proposed Court orders and other materials or documents that the Obligors intend to file in the CCAA Proceeding at least two (2) Business Days prior to such filing or, where it is not practically possible to do so within such time, as soon as possible ~~on or~~ prior to the date on which such motion, application, proposed Court ~~Order~~order or other material or document is served on the service list in respect of the CCAA Proceeding;
- (r) ~~(w)~~ promptly provide notice to the DIP Agent, the DIP Lenders and their counsel, and keep them otherwise apprised, of any material developments in respect of any Material Contract, and of any material notices, orders, decisions, letters, or other documents, materials, information or correspondence received from any regulatory authority having jurisdiction over any Obligor, in each case which would reasonably be expected to have a material adverse effect on the Obligors' operations, business, or ability to perform under this Agreement and subject to any disclosure restrictions at Law or contained in any Court order or that, in the opinion of the Obligors (in consultation with

³⁰ ~~Note to Draft: Deleted language does not permit the approve cash flow to roll.~~

the Monitor), each acting reasonably, are necessary to protect the Borrowers' restructuring process;

~~(x)~~ ~~[reserved]~~; ³⁴

(s) promptly upon becoming aware thereof, provide details of any pending, or threatened claims, potential claims, litigation, actions, suits, arbitrations, other proceedings or notices received in respect of same, against any Obligor by or before any court, tribunal, Governmental Authority or regulatory body, which would be reasonably likely to result, individually or in the aggregate, in a judgment in excess of \$1,000,000;

(t) ~~(y)~~ take all commercially reasonable actions necessary or available to defend any Court orders in the CCAA Proceedings from any appeal, reversal, modifications, amendment, stay or vacating not expressly consented to in writing in advance by the Required DIP Lenders, ~~to the extent~~ relating to the DIP Facility or the DIP Charge;

(u) ~~(z)~~ continue business operations in all material respects in the ordinary course ensuring full utilization of the shipping window, including (i) ensuring fuel and other necessary products for operations are secured for continued operations and (ii) shipping out all ready-to-ship product for sale; and the Borrowers will not materially change employee head count or staffing requirements except as may be needed to optimize cost structure and operations subject to the Approved Cash Flow Forecast and the prior written consent of the Required DIP Lenders;

(v) ~~(aa)~~ maintain all ~~material licences and permits required for the operation of the Business in the ordinary course~~ Authorizations during the term of the DIP Facility in full force and effect; and use commercially reasonable efforts to defend each such Authorization against revocation or amendment thereof ~~that would reasonably be expected to be material and adverse to the rights and remedies of the DIP Lenders pursuant to, including by complying with~~ the terms ~~hereof~~ thereof; ³²

(w) maintain in good repair, working order and condition all material properties and assets used or useful in the business of the Borrowers and make all such appropriate repairs thereto;

(x) consult with the DIP Lenders from time to time at their reasonable request regarding which contracts are to be disclaimed in the CCAA Proceedings;

(y) execute and deliver such loan and security documentation as may be reasonably requested by the DIP Agent or the Required DIP Lenders from time to time;

³⁴ ~~Note to Draft: Subsumed in (c).~~

³² ~~Note to Draft: Borrower does not have a 6 mtpa permit.~~

~~(bb) [reserved];~~³³

~~(cc) [reserved];~~³⁴

~~(dd) [reserved];~~³⁵

~~(ee) [reserved];~~

~~(ff) [reserved];~~

~~(gg) [reserved];~~³⁶; and

(z) ~~(hh) subject to Section 8,~~ promptly pay or cause to be paid, as set forth in section 13 hereof, all DIP Lender Expenses ~~to the DIP Lender~~ no less frequently than every two weeks, provided that the DIP Lenders shall use commercially reasonable efforts to provide reasonable estimates of such expenses for purposes of the Approved Cash Flow Forecast.

26. **Negative Covenants:**

Each Obligor covenants and agrees not to do the following, and not to permit any of its subsidiaries to do the following, in each case other than with the prior written consent of the Required DIP Lenders from and after the date hereof:

(a) make any payment of principal or interest in respect of Indebtedness (other than the DIP Facility) or declare or pay any dividends or make any other distribution in respect of its equity interests, in each case, except as expressly provided ~~for~~ in the Approved Cash Flow Forecast (subject without regard to Permitted Variances);

(b) except as set forth in any Court order that is acceptable to the Required DIP Lenders ~~(acting reasonably) or any equipment lease or financing lease obligations covered by an Approved Cash Flow Forecast, incur, incur or permit to exist~~ any Indebtedness (including, without limitation, any capital lease obligation, equipment lease ~~or~~, financing lease obligation), subject or debtor in possession financing other than the DIP Facility) other than as expressly provided in the Approved Cash Flow Forecast (without regard to Permitted Variances);-

~~(c) [reserved];~~³⁷

(c) ~~(d) except for the Priority Charges, the DIP Charge, and any Encumbrance existing prior to the date hereof and ranking subordinate to the DIP Charge, or~~ as set forth in any Court order

³³ **Note to Draft:** Subsumed in (g).

³⁴ **Note to Draft:** Management, in consultation with the Monitor, will decide as to which contracts are disclaimed.

³⁵ **Note to Draft:** What does "in pursuit of the CCAA Proceeding" mean?

³⁶ **Note to Draft:** Information requests covered elsewhere.

³⁷ **Note to Draft:** Covered by below.

that is acceptable to the Required DIP Lenders—~~(acting reasonably)~~, create, incur, or permit to exist any ~~Encumbrances on~~ Encumbrance, or provide or seek to support a motion by another party to provide an Encumbrance, upon any of its properties or assets, in each case other than ~~the~~ Permitted Liens;³⁸

- (d) ~~(e)~~ make any payments or use any monies (including, without limitation, proceeds of the DIP Facility) outside of the ordinary course of Business, unless provided for in the Approved Cash Flow Forecast (subject to Permitted Variances);
- (e) ~~(f)~~ make any investments in, acquisitions of, or loans to, or guarantee the Indebtedness or obligations of, any other Person, entity or assets, except as expressly provided ~~for~~ in the Approved Cash Flow Forecast (~~subject~~ without regard to Permitted Variances);
- (f) ~~(g)~~ except between Obligors, enter into or continue performance under any transaction with any affiliate or any of its or its affiliates;³⁹ respective direct or indirect equity holders, senior officers, directors, managers or employees, except in the ordinary course of business for a bona fide business purpose and not for any other purpose, except as expressly provided ~~for herein or~~ in the Approved Cash Flow Forecast;³⁹ (without regard to Permitted Variances);
- (g) enter into or continue performance under any transaction which does not provide for fair and reasonable terms which are no less favorable than those that would be obtained in arm's-length transactions of a similar type;
- (h) ~~[reserved]~~ make any Prohibited Payments;⁴⁰
- (i) ~~[reserved]~~;⁴¹
- (i) ~~(j)~~ make any type of payment, or otherwise satisfy any claim, purported claim, liability, or other obligation, including without limitation of any pre-CCAA filing claim, that is not expressly provided for by the Approved Cash Flow Forecast ~~(subject to Permitted Variances)~~;
- (j) ~~(k)~~ change its jurisdiction of incorporation or registered office;
- (k) ~~(l)~~ change its name, fiscal year end or accounting policies or amend its organizational documents;
- (l) ~~(m)~~ cease to carry on the Business as currently being conducted or materially change its operations or business practices;

³⁸ ~~Note to Draft: The Company will be seeking KERP charges, but the amounts are still being determined.~~

³⁹ ~~Note to Draft: As previously drafted, it conflicted with KERP, KEIP, etc.~~

⁴⁰ ~~Note to Draft: Covered above.~~

⁴¹ ~~Note to Draft: Royalties included in cash flow.~~

- (m) ~~(n)~~ sell, assign, lease, convey or otherwise dispose of or transfer any material property, assets or undertakings, except for iron ore product or disposition of obsolete, redundant or ancillary assets ~~obsolete, redundant, worn out or ancillary assets~~ or as may be approved by the Court with the prior written approval of the Required DIP Lenders;
- (n) ~~(o)~~ except as otherwise ~~contemplated in~~ required under any Court order, ~~as contemplated by~~ which is acceptable to the Required DIP Lenders or as expressly provided for in the Approved Cash Flow Forecast or ~~as contemplated hereby~~ this Agreement, establish or make any retention or bonus payments, increase compensation or severance entitlements or other benefits payable to directors, senior officers or senior management, or pay any bonuses whatsoever;
- (o) ~~(p)~~ enter into any settlement agreement or agree to any settlement arrangements with any regulatory authority or in connection with any material litigation, arbitration, other investigations, proceedings or disputes or other similar proceedings which are threatened or pending against the Obligor;
- (p) ~~(q)~~ enter into any amalgamation, reorganization, liquidation, dissolution, winding-up, merger or other similar transaction or series of transactions, allow any change of control to occur, or create or acquire any new subsidiary or become a general partner in any partnership that does not provide for the full repayment of the obligations under the DIP Facility;
- (q) ~~(r)~~ amend, supplement, revoke, terminate or discharge or seek to amend, supplement, revoke, terminate or discharge, the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order, except to amend and restate the Amended and Restated Initial Order as may be permitted by this Agreement;
- (r) ~~(s)~~ apply for or consent to, any Court order, or amendment or modification to an existing Court order which adversely affects or would reasonably be expected to adversely affect the DIP Agent or the DIP Lenders ~~hereunder~~;
- (s) ~~(t)~~ file or support the confirmation of any plan of arrangement or liquidation, in each case, that treats the DIP Obligations as ~~"affected"~~ without the consent of the Required DIP Lenders;
- (t) (i) enter into any material transaction or material agreements or
(ii) amend or modify any existing agreements or transaction
terms, in each case, including royalty agreements or similar
agreements, without the consent of the Required DIP Lenders;
provided that no such consent shall be needed to amend or
modify any contract if such amendment or modification (i) does
not affect the pre- or post-petition priority or value of any claim
held by any DIP Lender, (ii) does not negatively impact the

Borrowers' net cash flows or liquidity, and (iii) would not reasonably be expected to negatively impact the terminal value of the business from the perspective of potential purchasers;

(u) without the consent of the Required DIP Lenders, satisfy the delivery or other performance obligations and/or payment obligations under its contracts with Glencore plc or any of its affiliates, including, without limitation, any obligations to process or deliver iron ore;

(v) take (or omit to take) any action to the extent such action would reasonably be expected to materially impair or otherwise adversely affect the ability of the Obligors to utilize any net operating losses, tax credit carry-forwards, built-in losses, basis, deductions or other tax attributes or benefit, in each case, without the prior written consent of the Required DIP Lenders;

(w) issue any Equity Securities, create any new class of Equity Securities, amend any terms of its existing Equity Securities, consent to or take any steps in furtherance of the exercise of any conversion right under any Equity Securities issued by it, or incorporate, create, or organize any new subsidiaries other than in connection with a Restructuring Transaction approved pursuant to a Court order which is acceptable to the Required DIP Lenders;

~~(u) [reserved];⁴²~~

~~(v) [reserved];~~

~~(w) [reserved];~~

~~(x) [reserved];~~

(x) ~~(y)~~ seek, obtain, support, make or permit to be made any Court order or any change, amendment or modification to any Court order that would reasonably be expected to materially affect the rights or protections of the DIP Agent or the DIP Lenders under or in connection with the DIP Facility or the DIP Charge, except with the prior written consent of the Required DIP Lenders, in their sole discretion;

(y) ~~(z)~~ seek or consent to the lifting of the stay of proceedings in the Initial Order, Amended and Restated Initial Order or the Second Amended and Restated Initial Order, as applicable, in favour of the Borrowers, or seek or consent to the appointment of a receiver or trustee in bankruptcy or any similar official in any jurisdiction;

(z) make any changes to the composition of the board of directors of the Borrowers (including the addition, removal or replacement of directors, other than a resignation by a director), other than pursuant to a Court order acceptable to the Required DIP

⁴² ~~Note to Draft: Covenant too broad.~~

Lenders or with the Required DIP Lenders' approval (in their sole discretion); or

~~(aa) [reserved];~~

~~(bb) [reserved];⁴³ or~~

(aa) ~~(cc) [reserved];⁴⁴~~ interfere with the Monitor in any efforts it undertakes to (i) meet and communicate with the DIP Agent and DIP Lenders and (ii) provide regular reports to the DIP Agent and DIP Lenders with respect to the DIP Facility and the CCAA Proceeding.

27. **Sales and Investment Solicitation Process; Expansion:**

Unless otherwise agreed by the ~~Required~~Supermajority DIP Lenders, the Borrowers and the DIP Lenders agree that the Borrowers (in consultation with the Monitor and the DIP Lenders) shall pursue a sales and investment solicitation process in form and substance acceptable to the Borrowers and the Supermajority DIP Lenders (the ~~"SISP"~~) approved pursuant to a Court order in respect of potential Restructuring Transactions and any such SISP shall include the following milestones (collectively, the ~~"SISP Milestones"~~):

- (a) the deadline for the commencement of the SISP will be no later than 3 months after the issuance of the Second Amended and Restated Initial Order;
- (b) the deadline for the receipt of first round bids in connection with the SISP will be no later than 6 months after the issuance of the Second Amended and Restated Initial Order;
- (c) the Borrowers shall complete all site visits for bidders prior to October 31, 2026; and
- (d) the final deadline for the closing of a transaction resulting from the SISP will be no later than ~~18~~12 months after the commencement of the SISP,

provided that the Borrowers may extend each of the foregoing dates in accordance with the Court order approving the SISP, which Court order shall be in form and substance acceptable to the Supermajority DIP Lenders; provided further however that nothing herein shall prohibit the pursuit of a Restructuring Transaction pursuant to a Court approved plan at any time. For the avoidance of doubt, any DIP Lender or the DIP Agent may participate as a bidder in connection with any SISP in respect of potential Restructuring Transactions[or Alternative Offtake and Service Agreements].

28. **Events of Default:**

The occurrence of any one or more of the following events shall constitute an event of default (each, an "Event of Default") under this Agreement:

⁴³ ~~Note to Draft: Limits on Indebtedness are already imposed elsewhere.~~

⁴⁴ ~~Note to Draft: There are already covenants that require payments to be made only in accordance with the approved cash flow~~

- (a) any Court order is issued, dismissed, stayed, reversed, vacated, amended or restated and such issuance, dismissal, stay, reversal, vacating, amendment or restatement which (i) stays, reverses, vacates or otherwise modifies this Agreement or (ii) adversely affects or would reasonably be expected to adversely affect the enforceability of ~~any material term of~~ this Agreement or the DIP Charge, unless the DIP Agent or Required DIP Lenders, as applicable, have given their prior written consent thereto, including the issuance of a Court order:
 - (i) appointing a receiver and manager, receiver, interim receiver or similar official in respect of an Obligor;
 - (ii) terminating, lifting or amending the stay imposed within the CCAA Proceeding in a manner which, in the opinion of the Required DIP Lenders, acting reasonably, is materially prejudicial to the DIP Lenders;
 - (iii) granting any other claim or Encumbrance of equal or priority status to that of the DIP Charge, other than the Priority Charges or the Priority Payables; or
 - (iv) prejudicially affecting the DIP Agent, DIP Lenders or the Collateral;
- (b) failure of an Obligor to diligently oppose any party that brings an application or motion for any of the relief set out in subsection 27(a) above and/or the failure to secure the dismissal of such motion or application within 30 days from the date that such application or motion is brought (provided no affirmative Court order is issued on such motion or application during such period);
- (c) the CCAA Proceeding is terminated or converted to bankruptcy proceedings;
- (d) failure of the Borrowers to ~~pay~~ (i) pay principal, interest or other amounts ~~arising hereunder~~ when due pursuant to this Agreement or any other document entered into in connection herewith, or (ii) pay or cause to be paid any reasonable and documented DIP Lender Expenses ~~payable to the DIP Agent, the DIP Lenders or the Fronting Lender~~ within ~~five~~two (52) Business Days of being invoiced therefor, (either in cash or via Deemed Draws), provided that such invoices are delivered no more frequently than every two weeks, and such failure, in the case of each of items (i) and (ii), remains unremedied for more than two (2) Business Days;
- ~~(e) [reserved];~~
- (e) any Obligor ceases to carry on or maintain the Business or its assets in the ordinary course of the Business in compliance with the covenants contained in this Agreement, except where such cessation is otherwise consented to in advance in writing by the Required DIP Lenders;

- (f) any representation or warranty made or given hereunder by any Obligor shall be incorrect or misleading in any material respect when made;
- (g) any material violation or breach of any court order by an Obligor;
- (h) ~~material~~ failure of an Obligor to (x) perform or comply with any term or covenant of this Agreement and such failure shall continue for more than five (5) Business Days after the earlier to occur of (i) any one or more of the Obligors having knowledge of such Event of Default or (ii) written notice of such Event of Default from the DIP Agent to the Borrowers, in either case, at the direction of the Required DIP Lenders to the Borrowers or (y) achieve the SISP milestones in accordance with section 26;
- (i) any proceeding, motion or application is commenced or filed by the Obligors, or if commenced by another party, is supported or otherwise consented to by the Obligors, seeking the invalidation, subordination or other challenging of the terms of the DIP Facility, the DIP Lenders' Charge, or this Agreement;
- (j) ~~[reserved]~~ any Obligor makes any payments of any kind not permitted by this Agreement, the Approved Cash Flow Forecast or any order of the Court;⁴⁵
- (k) any plan is filed or sanctioned by the Court in a form and in substance that is not acceptable to the Required DIP Lenders if such plan does not either provide for the repayment of the obligations under the DIP Facility in full by the Maturity Date, or designate the DIP Lenders as unaffected by such plan;
- (l) any Obligor shall file a motion seeking, or take any action supporting a motion seeking, or the Court shall issue, an order, authorizing the sale or liquidation of its assets unless, in each case, either (i) the Required DIP Lenders consent to the filing of such motion, ~~(ii) it relates to the SISP,~~ or (ii) the Court order approving such sale or liquidation contemplates payment in full in cash of all the DIP Obligations;
- (m) any event or occurrence that materially adversely affects the Obligors, their business or their assets, in each case taken as a whole, as determined by the Required DIP Lenders in their sole discretion;
- (n) a default (other than a default resulting from the insolvency of the Borrowers or the commencement of the CCAA Proceeding by the Borrowers, including, for greater certainty, as a result of failure to pay pre-filing amounts as a result of the commencement of the CCAA Proceeding) under any Material Contract, or any material amendment of any Material Contract unless agreed to by the Required DIP Lenders in writing;

⁴⁵ ~~Note to Draft: Subsumed by (h).~~

~~(m) [reserved];~~⁴⁶

~~(n) [reserved];~~

- (o) any change of control of any one or more of the Obligors that does not provide for the full repayment in cash of the obligations under the DIP Facility, without the consent of the Required DIP Lenders;
- (p) any Authorization issued to any Obligor is terminated, revoked, or suspended and such termination, revocation, or suspension has or would reasonably be expected to have a material adverse effect on the operations, financial condition, and/or ~~financial condition~~ future prospects of the Obligors taken as a whole;
- (q) ~~[reserved]~~ any Obligor does not comply with any term or condition of the SISP;⁴⁷
- (r) the priority of the Liens as contemplated hereby created pursuant to or under the DIP Security in favor of the DIP Agent for the benefit of the DIP Lenders is varied without the consent of the DIP Agent at the direction of the DIP Lenders or any of such Liens does not have the priority required hereunder for any reason in any jurisdiction;
- (s) any Obligor commences an action or any other proceeding in any proceeding or in any other court to (i) obtain any form of relief against the DIP Agent or DIP Lenders (or any one or more of them) including without limitation a proceeding to recover damages from the DIP Agent or the DIP Lenders or to obtain payment of any amounts purported to be owing by the DIP Agent or the DIP Lenders (or any one or more of them) to any Obligor if the DIP Agent or the DIP Lenders (or any one or more of them) disputes any of the same or (ii) challenge in any way the enforceability of this Agreement or any document entered in connection herewith or the Liens granted under or pursuant to the DIP Security; provided, for the avoidance of doubt, that an Obligor's enforcement of this Agreement against any DIP Lender shall not be an Event of Default under this clause 28(s);

~~(r) [reserved];~~

~~(s) [reserved];~~⁴⁸

- (t) any Obligor seeks, or consents to, any amendment of the SISP without the prior written consent of the DIP Agent at the direction of the ~~Required~~ Supermajority DIP Lenders;
- (u) the expiry without further extension of the stay of proceedings in

⁴⁶ ~~**Note to Draft:** The following are subjective and hair triggered.~~

⁴⁷ ~~**Note to Draft:** Deleted language covered by (h).~~

⁴⁸ ~~**Note to Draft:** This would prevent borrowers from affording themselves protection against a defaulting or breaching lender.~~

the CCAA Proceeding;

- (v) the denial or purported repudiation by any Obligor of the legality, validity, binding nature, or enforceability of this Agreement or any document entered into in connection herewith, or any Obligor commencing any action or proceeding in any proceeding for a declaration or order to such effect;
- (w) this Agreement or any other document entered into in connection herewith (and for certainty including without limitation the DIP Security) ceases to be enforceable;
- (x) except as stayed by order of the Court, the entry of one or more final judgements, writs of execution, garnishments or attachments representing a claim or claims in excess of \$100,000 or the equivalent amount thereof in any other currency, in the aggregate, against any Obligor or the property and assets of any Obligor which are subject to the Liens in favor of the DIP Agent for the benefit of the DIP Lenders that is not released, bonded, satisfied, discharged, vacated, stayed or accepted for payment by an insurer within 30 days after its or their entry, commencement or levy;

~~(v) [reserved];~~

~~(w) [reserved];~~

~~(x) [reserved];~~⁴⁹

~~(y) [reserved];~~

~~(z) [reserved];~~

~~(aa) [reserved];~~

- (y) ~~(bb)~~ (i) a Variance Report or Updated Cash Flow Forecast is not delivered within ~~five~~two (52) Business Days of the day on which such Variance Report or Updated Cash Flow Forecast is required to be delivered pursuant to this Agreement, or (ii) there shall exist ~~a cumulative negative~~any variance in excess of ~~the~~any Permitted Variance ~~for the period from the date of the Initial Order to the last day of the applicable testing period, measured relative to the Approved Cash Flow Forecast then in effect,~~ including any Permitted Variance specific to any disbursement line item as set forth in the definition of "Permitted Variance"; or

~~(cc) [reserved];~~

- (z) ~~provided that, except for (a), where no cure period is provided in the foregoing, it shall not be an Event of Default until fifteen (15) days have elapsed since the Borrowers have received written notice from the DIP Agent of the occurrence of the~~

⁴⁹ **Note to Draft:** These are too broad and hair trigger, and some are already covered (e.g., a through a covenant not to incur Indebtedness). They will not permit the Borrowers to operate the business in the ordinary course in a debtor-in-possession context.

~~putative Event of Default~~ the retaining or appointment of either (i) a chief restructuring officer or Person in a similar role or (ii) a Monitor with expanded powers, in each case other than with the prior consent of the Required DIP Lenders or pursuant to a Court order which is acceptable to the Required DIP Lenders.

29. **Remedies:**

Upon the occurrence and continuance of an Event of Default, the DIP Agent (acting at the direction of the Required DIP Lenders) or the Required DIP Lenders may elect on prior written notice to the Borrowers and the Monitor to:

- (a) set-off, consolidate or accelerate all amounts outstanding under the DIP Facility (including the Commitment/Funding Fee) and declare such amounts to be immediately due and payable;
- (b) terminate the DIP Facility;
- (c) apply for a Court order, on terms satisfactory to the Monitor and the Required DIP Lenders, providing the Monitor with the power, in the name of and on behalf of the Borrowers, to take all necessary steps in the CCAA Proceeding to realize on the Collateral, including applying to the Court for the appointment of a receiver, interim receiver or receiver and manager over the Borrowers or all or certain of their Collateral, or for the appointment of a trustee in bankruptcy in respect of the Borrowers;
- (d) exercise the powers and rights of a secured party; and
- (e) exercise all such other rights and remedies available to the DIP Lenders hereunder, or pursuant to the Initial Order or otherwise in accordance with applicable Law.

The DIP Agent (acting at the direction of the Required DIP Lenders) may use (for certainty, on the instructions of the Required DIP Lenders in accordance with the definition thereof and section 34) any or all of the DIP Obligations as a credit bid and/or to pay for some or all of the purchase price (including any deposit payable in connection with such transaction) in connection with (a) any purchase of some or all of the properties and assets of the Borrowers and the Guarantors (or any one or more of them), (b) any Restructuring Transaction agreed to by the Borrowers (in consultation with the Monitor) and the Required DIP Lenders, in each case subject to any Court order and such reasonable terms and conditions as may be required in the opinion of the Borrowers (in consultation with the Monitor), each acting reasonably, to protect the Borrowers' restructuring process.

30. **Taxes:**

All payments by an Obligor under this Agreement, including any payments required to be made from and after the exercise of any remedies available to the DIP Agent and/or the DIP Lenders upon the occurrence and continuance of an Event of Default, shall be made free and clear of, without reduction for or on account of, any present or future Taxes; provided, however, that if any Taxes are required by

applicable Law to be withheld ("**Withholding Taxes**") from any amount payable to the DIP Lenders under this Agreement, the amounts so payable to the DIP Lenders shall be increased to the extent necessary to yield to the DIP Lenders on a net basis after payment of all Withholding Taxes, the amount payable hereunder at the rate or in the amount specified hereunder and the Obligors shall provide evidence satisfactory to the Required DIP Lenders that the Taxes have been so withheld and remitted.

If the Borrowers pay an additional amount to the DIP Lenders to account for any Withholding Taxes, the DIP Lenders shall reasonably cooperate with the Borrowers to obtain a refund of the amounts so withheld, including filing income tax returns in applicable jurisdictions, claiming a refund of such Withholding Tax and providing evidence of entitlement to the benefits of any applicable tax treaty. The amount of any refund so received, and interest paid by the tax authority with respect to any refund, shall be paid over by the DIP Lenders to the Borrowers promptly. If reasonably requested by the Borrowers, the DIP Lenders shall apply to the relevant taxing authority to obtain a waiver from such withholding requirement, and the DIP Lenders shall cooperate with the Borrowers and assist the Borrowers to minimize the amount of Withholding Tax required, in each case at the Borrowers' sole expense.

31. **Termination by Borrowers**

The Borrowers shall be entitled to terminate this Agreement upon notice to the DIP Lenders: ~~(a) in the event that the DIP Lenders have failed to fund any Advance in full when required to do so under this Agreement or (b) at~~ any time following the indefeasible payment in full⁵⁰ in immediately available funds of all of the outstanding DIP Obligations. Effective immediately upon such termination, all obligations of the Borrowers and the DIP Lenders under this Agreement shall cease, except for those obligations that explicitly survive termination. For greater certainty, all outstanding DIP Obligations in respect of all Advances funded prior to such termination shall become immediately due and payable concurrently with such termination and the DIP Lenders shall not be required to make any further extensions of credit under this Agreement.

32. **Further Assurances:**

The Obligors shall, at their own expense, from time to time do, execute and deliver or will cause to be done, executed and delivered, all such further acts, documents (including, without limitation, certificates, declarations, affidavits, reports and opinions) as the Required DIP Lenders may reasonably request for the purpose of giving effect to this Agreement.

33. **Entire Agreement:**

This Agreement constitutes the entire agreement between the parties related to the subject matter hereof. To the extent there is any inconsistency between this Agreement and any other documents

⁵⁰ ~~**Note to Draft:** The Borrowers must be released upon "full payment" of the obligations — not indefeasible payment.~~

entered into in connection herewith, this Agreement shall prevail.

34. **Amendments
and Waivers:**

No waiver or delay on the part of the DIP Lenders in exercising any right or privilege hereunder will operate as a waiver hereof or thereof unless made in writing and delivered in accordance with the terms of this Agreement.

All consents, waivers or amendments to or in connection with this Agreement and the DIP Facility and the transactions contemplated hereby or thereby must be in writing and if approved in writing by the DIP Agent at the direction of the Required DIP Lenders shall be binding on all of the DIP Lenders including those Lenders which did not execute any such consent, waiver or amendment; and any matters, documents or other things required to be acceptable or satisfactory to the DIP Lenders are and shall be deemed to be acceptable and satisfactory to all the DIP Lenders if acceptable or satisfactory to the DIP Agent at the direction of the Required DIP Lenders; provided that and for certainty, no consent, waiver or amendment shall be binding on the DIP Lenders unless each of the DIP Lenders executes a consent, waiver or amendment for any of the following matters: (a) increase the amount of any ~~Lender's~~Lender's DIP Facility commitment amount; (b) change to the Maturity Date other than as expressly provided for herein; (c) postpone or delay the date for payment of any principal, interest or other DIP Obligations; (d) reduce the principal amount owing by the Borrowers or the rate of interest or any other fees applicable to amounts owing or to become owing hereunder or under the other documents in connection herewith; (~~ee~~) change the pro rata commitments of any of the DIP Lenders in connection with the DIP Facility; (~~ef~~) amend this section 34, the definition of "Required DIP Lenders", the definition of "Supermajority DIP Lenders" or any provision providing for consent or other action by all or any specific percentage or portion of the DIP Lenders; (~~eg~~) discharge any Obligor from its payment obligations ~~under~~ hereunder or under any other document in connection herewith or release any DIP Security except as may be expressly provided for in this Agreement; or (~~fh~~) amend the terms and conditions of the application of proceeds of any repayments or the sharing of payments; provided further that any consent, amendment, waiver or other modification with respect to this Agreement that would adversely and disproportionately modify the rights of any DIP Lender (in its capacity as such) under the DIP Facility compared to other DIP Lenders shall require the prior written consent of each such affected DIP Lender. Notwithstanding anything to the contrary contained herein, any consent, amendment, waiver or other modification that subordinates, or has the direct or indirect effect of subordinating, (x) any DIP Obligations in right of payment to any other Indebtedness for borrowed money or (y) any Encumbrances securing the DIP Obligations to any Encumbrances securing any other Indebtedness for borrowed money, in each case, shall require the prior written consent of the Supermajority DIP Lenders.

In addition, the Required DIP Lenders shall consult all other DIP Lenders in connection with any consent, waiver, amendment or other

modification requiring the consent of the Required DIP Lenders.

35. **Severability:** Any provision in this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.
36. **No Third Party Beneficiary:** No Person, other than the Obligors and the DIP Lenders are entitled to rely upon this Agreement and the parties expressly agree that this Agreement does not confer rights upon any party not a signatory hereto.
37. **Counterparts and Facsimile Signatures:** This Agreement may be executed in any number of counterparts delivered by e-mail, including in PDF format, each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same instrument. Any party may execute this Agreement by signing any counterpart of it.
38. **Assignment:** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. Upon the Borrowers' acceptance of this Agreement, this Agreement shall be amended and restated to include provisions pursuant to which DIP Lenders may assign DIP Loans and/or sell participations in DIP Loans, ~~in each case subject to Borrower' consent, not to be unreasonably withheld provided.~~ Any DIP Lender may assign its rights and obligations under the DIP Facility (i) to any Eligible Assignee or (ii) to any other person, subject, solely in the case of this clause (ii) and solely to the extent that no Event of Default has occurred and is then continuing; at the time of such assignment, the Borrowers' prior consent (not to be unreasonably withheld).
- Notwithstanding anything to the contrary herein, any DIP Lender may, without the consent of any other party hereto, pledge or grant a security interest in all or any portion of its rights under this Agreement to secure obligations of such DIP Lender to any financing counterparty; provided that such pledge or grant of a security interest does not release such DIP Lender from any of its obligations hereunder or substitute any such pledgee or grantee for such DIP Lender as a party hereto.
39. **Notices:** Any notice, request or other communication hereunder to any of the parties shall be in writing and be well and sufficiently given if delivered personally or sent by electronic mail to the attention of the Person as set forth below:

in the case of a notice to the Obligors at:

c/o Baffinland Iron Mines Corporation
360 Oakville Place Dr., Suite 300
Oakville, Ontario L6H 6K8

Attention: Mark ~~O'Brien~~O'Brien

Email: mark.obrien@baffinland.com

with a copy (which shall not constitute notice) to:

Davies Ward Phillips & Vineberg LLP

155 Wellington St. W.

Toronto, ON M5V 3J7

Attention: Natalie Renner and Rob Nicholls

Email: nrenner@dwpv.com and rnicholls@dwpv.com

in the case of a notice to the DIP Agent at:

■

Attention: ■

Email: ■

in the case of a notice to the DIP Lenders at the notice information set forth in Schedule A, with copies to:

Paul, Weiss, Rifkind, Wharton & Garrison LLP

1285 Avenue of the Americas

New York, NY 10019

Attention: Brian S. Hermann; Brian Bolin; Joseph [M. Graham](#)

Email: bhermann@paulweiss.com; bbolin@paulweiss.com;
jgraham@paulweiss.com

and

Stikeman Elliott LLP

199 Bay St. #5300

Toronto, ON M5L 1B9

Attention: Maria Konyukhova; Logan Copen

Email: mkonyukhova@stikeman.com;
lcopen@stikeman.com

and

Akin Gump Strauss Hauer & Feld LLP

One Bryant Park

New York, NY 10022

Attention: Ira Dizengoff; Meredith Lahaie; Lucas Charleston

Email: idizengoff@akingump.com;
mlahaie@akingump.com; lcharleston@akingump.com

and

Cassels Brock & Blackwell LLP
Suite 3200, Bay Adelaide Centre – North Tower
Toronto, Ontario
M5H 0B4

Attention: Ryan Jacobs and Michael Wunder
Email: rjacobs@cassels.com and
mwunder@cassels.com

In either case, with a copy to the Monitor:

FTI Consulting Canada Inc.

Attention: Jeffrey Rosenberg
Email: Jeffrey.rosenberg@fticonsulting.com

With a copy to, which shall not constitute notice:

Osler, Hoskin & Harcourt LLP
First Canadian Place, 100 King St. W. #6200
Toronto, ON M5H 1H1

Attention: Marc Wasserman and Michael De Lellis
Email: mwasserman@osler.com and mdelellis@osler.com

Any notice delivered or transmitted to a Person as provided above shall be deemed to have been given and received on the day it is delivered or transmitted, provided that it is delivered or transmitted on a Business Day prior to 5:00 p.m. local time in the place of delivery or receipt. However, if the notice is delivered or transmitted after 5:00 p.m. local time or if such day is not a Business Day then the notice shall be deemed to have been given and received on the next Business Day.

In the event that any amount required to be paid hereunder is due on a day which is not a Business Day, such amount shall be paid on the next following Business Day with applicable interest adjustments.

40. **Governing Law and Jurisdiction:** This Agreement shall be governed by, and construed in accordance with, the Laws of the Province of Ontario and the federal Laws of Canada applicable therein.
41. **Definitions:** For the purposes of this Agreement, unless context otherwise requires, the following terms have the respective meanings set out below, and grammatical variations of such terms have corresponding meanings:
- "**Advance**" has the meaning given to that term in section 8;
- "**Advance Notice**" has the meaning given to that term in section 8;
- "**Affiliate**" of any Person means, at the time such determination is being made, any other Person controlling, controlled by or under common control with such first Person, where "control" means the possession,

directly or indirectly, of the power to direct the management and policies of such Person, whether through the ownership of voting securities or otherwise;

"Agreement" means this Agreement, including all Schedules, as it may be modified, amended, revised, restated, replaced, supplemented or otherwise changed from time to time and at any time hereafter;

"Amended and Restated Initial Order" means the order of the Court entered on May 25, 2026;

"Alternative Offtake and Service Agreements" means offtake, service or other agreements in respect of the business of the Borrowers];

"Approved Cash Flow Forecast" has the meaning given to that term in section 14;

"Authorization" means, with respect to any Person, any order, permit, approval, consent, waiver, licence or similar authorization of any Governmental Authority related to the Collateral or the Business;

"Benefits Agreement" means the impact benefits agreement between BIM Corp. and the Qikiqtani Inuit Association dated September 6, 2013, as amended on October 22, 2018, and as may be further amended, supplemented or amended and restated from time to time;

"Borrowers" has the meaning given to that term in the recitals;

"Borrowers' Account" has the meaning given to that term in section ~~49~~20;

"Business" means the business of iron ore mining at the Mary River Mine on Baffin Island in Nunavut, Canada;

"Business Day" means any day other than a Saturday, Sunday or statutory holiday in the Province of Ontario or ~~in~~ New York, New York;

"CCAA" has the meaning given to that term in the recitals;

"CCAA Proceeding" has the meaning given to that term in the recitals;

"Collateral" means all now-owned and hereafter-acquired assets and property of the Obligors, real and personal, tangible or intangible and all proceeds therefrom, including the Borrowers' Account and all assets used in the Business;

"Commodity Agreement" means, with respect to any Person, any commodity future or forward, swap or option, cap or collar or other similar agreement or arrangement as to which such Person is a party or a beneficiary;

"Commitment/Funding Fee" has the meaning given to that term in section 12;

"Court" has the meaning given to that term in the recitals;

"Currency Agreement" means, with respect to any Person, any foreign exchange future or forward, swap or option, cap or collar or other similar agreement or arrangement as to which such Person is a

party or a beneficiary;

"**Default**" means the occurrence or existence of any event, fact or circumstances, that with the giving of notice, passage of time, or both, would constitute an Event of Default;

"**Default Rate**" has the meaning given to that term in section 12;

"**DIP Agent**" has the meaning given to that term in section 6;

"**DIP Charge**" has the meaning given to that term in section 17;

"**DIP Facility**" has the meaning given to that term in section ~~7~~7;

"**DIP Lenders**" has the meaning given to that term in section 6;

~~"DIP Lender Expenses"~~"DIP Lender Expenses" has the meaning given to that term in section 13;

"**DIP Obligations**" has the meaning given to that term in section 17;

"**DIP Security**" means the DIP Charge and any and all security documents granted by the Obligors providing for a security interest in the Collateral and related personal property security registrations made in favour of the DIP Agent, for the benefit of the DIP Lenders, in connection with such security interest together with such confirmations, financing statements, renewals, amendments, discharges, insurance endorsements, opinions or other documents as may be reasonably requested by the Required DIP Lenders as security for the DIP Obligations;

~~"EDC"~~"EDC" means Export Development Canada;

~~"EDC Credit Agreement"~~"EDC Credit Agreement" means that certain credit agreement dated as of October 7, 2022 (as amended pursuant to an amendment dated September 27, 2023, an amendment dated March 26, 2024, an amendment dated May 27, 2025 and an amendment dated November 24, 2025), by and among the Borrowers, as borrowers, the guarantors party thereto and EDC, as lender;

"Eligible Assignee" means (x) any DIP Lender or Affiliate or Related Fund of any DIP Lender, and (y) any SPC as long as the applicable DIP Lender remains obligated in respect of its commitments hereunder, provided that no Obligor or any Affiliate of any Obligor shall be an Eligible Assignee.

"**Encumbrances**" means any hypothec, encumbrance, lien, charge, pledge, deposit arrangement, mortgage, title retention agreement, trust, deemed trust, security interest of any nature, easement, encroachment, servitude, restriction on use, right of occupation, any matter capable of registration against title, option, right of first offer or refusal or similar right, restriction on voting (in the case of any voting or equity interest), right of pre-emption or privilege, or any other arrangement or condition that in substance or effect secures payment or performance of an obligation, or any contract to create any of the foregoing;

"**Event of Default**" has the meaning given to that term in section ~~27~~28;

"Governmental Authority" means any government, regulatory authority, governmental department, agency, commission, bureau, official, minister, court, body, board, tribunal or dispute settlement panel or other law or regulation-making organization or entity: (a) having or purporting to have jurisdiction on behalf of any nation, province, territory, state or other geographic or political subdivision thereof; or (b) exercising, or entitled or purporting to exercise, any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power;

"Hedging Obligations" of any Person means the obligations of such Person pursuant to any Interest Rate Agreement, Currency Agreement or Commodity Agreement;

"Holder AHG" means an ad hoc group of Holders providing DIP Loans hereunder.

"Holders" means holders of the notes under the Indenture.

"Indebtedness" of any Person means, at any date, without duplication, (a) all obligations of such Person for borrowed money, including by way of overdraft and drafts or orders accepted as representing extensions of credit, (b) all obligations of such Person evidenced by bonds, debentures, the face amount of all letters of credit, letters of guarantee and similar instruments, notes or other similar instruments, (c) all indebtedness, liabilities and obligations secured by an Encumbrance on any asset of such Person, whether or not the same is otherwise indebtedness, liabilities or obligations of such Person, (d) all indebtedness, liabilities and obligations of others which is, directly or indirectly, guaranteed by such Person or which such Person has agreed (contingently or otherwise) to purchase or otherwise acquire, (e) all indebtedness, liabilities and obligations in respect of financial instruments which are classified as a liability on the balance sheet of such Person, and (f) all obligations of such Person to otherwise assure a creditor against loss (for certainty, Hedging Obligations incurred by an Obligor in the ordinary course shall not be considered Indebtedness for purposes of this Agreement);

"Indemnified Persons" has the meaning given to that term in section 22;

"Indenture" means that certain Senior Secured Notes Indenture, dated as of June 27, 2018 (as amended, amended and restated or otherwise modified from time to time prior to the date of this Agreement), by and among the Borrowers, as issuers and the Indenture Agent;

"Indenture Agent" means Wilmington Trust, National Association, as trustee and collateral;

"Initial Advance" has the meaning given to that term in section 8;

"Initial Advance Conditions" has the meaning given to that term in section 15;

"Initial Order" means the order of the Court entered on May 15, 2026;

"Interest Payment Date" has the meaning given to that term in section ~~44~~12;

"Interest Period" has the meaning given to that term in section 12;

"Interest Rate Agreement" means, with respect to any Person, any interest rate future or forward, swap or option, cap or collar or other similar agreement or arrangement as to which such Person is a party or a beneficiary;

"Interest Rate" has the meaning given to that term in section 12;

"Law" means any federal, provincial, county, territorial, district, municipal, local or foreign, statute, ordinance, regulation, by-law, rule, code, treaty or rule of common law or otherwise of, or any order, judgment, injunction, decree or similar authority enacted, issued, promulgated, enforced or entered by, any Governmental Authority;

"Loan Amount" has the meaning given to that term in section ~~77~~7;

"Material Contract" means any contract, license or agreement: (i) to which a Borrower or Guarantor is a party or is bound; and (ii) which is material to, or necessary in, the operation of ~~the business of any~~ Borrower or Guarantor; ~~and (iii) which such Borrower or Guarantor cannot promptly replace by an alternative and comparable contract with comparable commercial terms;~~

"Maturity Date" has the meaning given to that term in section ~~2021~~21;

"Stated Maturity Date" has the meaning given to that term in section 20;

"Monitor" means FTI Consulting Canada Inc., as the court-appointed monitor of the Borrowers and Nunavut Iron Ore Mines, Inc.;

"Obligors" has the meaning given to that term in section 5;

"Permitted Liens" means (i) the Permitted Priority Liens; (ii) the DIP Charge; (iii) any charges created under the Initial Order or other Court order subsequent and subordinated in priority to the DIP Charge; (iv) Encumbrances existing prior to the ~~filing date~~Filing Date which are subordinate to the DIP Charge; (v) inchoate statutory ~~Encumbrances~~Liens arising after the ~~filing date~~Filing Date in respect of any accounts payable arising after the ~~filing date~~Filing Date in the ordinary course of business; and (vi) ~~miner's~~miner's liens incurred in the ordinary course of business; ~~and (vii) Liens in the ordinary course of the business in relation to obligations that do not secured indebtedness;~~

"Permitted Priority Liens" means (i) the Priority Charges; (ii) any Encumbrance in respect of amounts payable by the Borrowers for wages, vacation pay, employee deductions, sales tax, excise tax, tax payable pursuant to Part IX of the *Excise Tax Act* (Canada) (net of input credits), income tax and workers compensation claims, in each case solely to the extent such amounts are given priority by applicable Law and only to the extent that the priority of such amounts has not been

subordinated to the DIP Charge granted by the Court; and (iii) such other Encumbrances existing as of the Filing Date that have not been subordinated to the DIP Charge granted by the Court.

"Permitted Variance" means, for each Testing Period, ~~a variance of not more than 10% relative to the aggregate net cash flow on~~ variances in actual receipts and disbursements in amounts such that (a) (i) actual receipts are not less than 90% of projected receipts for (1) such Testing Period and (2) the cumulative basis period commencing on the date of the initial Approved Cash Flow Forecast and ending on the last day of such Testing Period; provided that for the purposes of determining any net cash flow (ii) actual disbursements are not more than 110% of projected disbursements for (1) such Testing Period and (2) the cumulative period commencing on the date of the initial Approved Cash Flow Forecast and ending on the last day of such Testing Period, and (b) to the extent any Approved Cash Flow Forecast specifies a lower permitted variance amount (which may be 0%) with respect to a specific disbursement line item, actual disbursements during the applicable Testing Period for such disbursement line item are not higher, on a percentage basis as compared to projected disbursements for such disbursement line item during such Testing Period, than such specified variance amount. For purposes of measuring the foregoing variances, the fees, costs, and expenses payable to the Monitor, and its advisors and the advisors of the Obligors, as well as the DIP Lenders, the DIP Agent, the Fronting Lender or their respective advisors Lender Expenses, shall be excluded from such net cash flow; disbursements. No amounts disbursed (x) in violation of any provision of this Agreement or (y) for a purpose which is not included in any line item in the Approved Cash Flow Forecast for the applicable Testing Period shall constitute Permitted Variances regardless of whether the other tests set forth in this definition have been satisfied.

"Person" means any individual, sole proprietorship, partnership, firm, entity, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, Governmental Authority, and where the context requires, any of the foregoing when they are acting as trustee;

~~"Pre-Approved Steensby CapEx" means~~ " means capital expenditures in connection with (a) the Steensby Expansion in an aggregate amount not to exceed \$20 million and (b) exploration costs not to exceed \$10 million.

"Priority Charges" has the meaning given to that term in section 17;

"Priority Payables" means HST, all sales Tax and any amount payable or accrued by a Borrower which is secured by an Encumbrance which ranks or is capable of ranking prior to or *pari passu* with the Encumbrances created in connection with the DIP Charge (other than the Priority Charges) including amounts accrued or owing for wages, vacation pay, termination pay (only where it is a priority payable), employee deductions, construction trusts or construction liens, and

other statutory or other claims that have or may have priority over, or rank *pari passu* with, the Encumbrances created in connection with the DIP Charge;

~~"Restructuring Transaction" means any restructuring, financing, refinancing, recapitalization, sale, liquidation, workout, plan or other material transaction of, or in respect of, the Obligors, or any of them, or all or a material portion of their Business, assets or obligations;~~

"Prohibited Payments" means any payment or satisfaction of any claim on account of (i) obligations owed (or which satisfaction of which would result in payment to) any direct or indirect beneficial owner of equity interests in any Obligor, including under any royalty agreement; (ii) any transaction which does not provide for fair and reasonable terms which are no less favorable than those that would be obtained in arm's-length transactions of a similar type, except between Obligors; and (iii) obligations incurred prior to the Filing Date unless otherwise approved by the Monitor and the Court;

"Related Fund" means, with respect to any Lender that is an investment fund, any other entity that is managed or advised by such DIP Lender or the same investment advisor as such DIP Lender or by an Affiliate of such investment advisor;

~~"Required DIP Lenders"~~ means, as of any time of determination, DIP Lenders holding more than 50% of the sum of all DIP Loans outstanding and undrawn commitments in effect with respect thereto (without taking into account any commitments temporarily held by the Fronting Lender for the account of the ultimate Lenders) at such time;

~~"Restructuring Transaction" means any restructuring, financing, refinancing, recapitalization, sale, liquidation, workout, plan or other material transaction of, or in respect of, the Obligors, or any of them, or all or a material portion of their Business, assets or obligations;~~

~~"Royalty Agreements"~~ means, collectively, (i) the royalty agreement entered into among the Borrowers, 15877580 Canada Inc., ArcelorMittal Canada Inc., 15877563 Canada Inc. and 15877482 Canada Inc. dated March 25, 2024 and (ii) the royalty agreement entered into among the Borrowers, 16572367 Canada Inc., 15877563 Canada Inc. and 15877482 Canada Inc.;

"Second Amended and Restated Initial Order" means an order, or orders, of the Court, in form and substance satisfactory to the Required DIP Lenders and obtained on application made on notice to the service list in the CCAA Proceeding and to such Persons as the Required DIP Lenders and Obligors determine, acting reasonably, among other things, amending and restating the Amended and Restated Initial Order, approving the DIP Facility, granting the DIP Charge and granting the Obligors an extension of the stay of proceedings;

~~"Senior Agents"~~ means, collectively, Alter Domus (US) LLC, as administrative agent and Wilmington Trust, National Association, as the collateral agent, in each case, under the Senior Credit Agreement;

"Senior Credit Agreement" means that certain revolving credit agreement dated as of May 26, 2017 (as amended by the first amendment dated June 27, 2018, the second amendment dated October 25, 2019, the third amendment dated February 14, 2022, the fourth amendment dated March 26, 2024, the fifth amendment dated May 27, 2025 and the sixth amendment dated November 24, 2025), by and among the Borrowers, as borrowers, the guarantors party thereto, the Senior Lenders and the Senior Agents;

"Senior Lenders" means the lenders under the Senior Credit Agreement;

"Senior Secured Notes" means the senior secured notes issued under the Indenture;

"SISP" has the meaning given to that term in section ~~26~~27;

"SISP Milestones" has the meaning given to that term in section ~~26~~27;

"SPC" means, with respect to any Lender, any special purpose vehicle identified in writing from time to time to the Administrative Agent and the Borrower that is formed for the purpose of providing all or any portion of the DIP Facility that such Lender would otherwise be obligated to make pursuant to this Agreement.

"Stated Maturity Date" has the meaning given to that term in section ~~20~~21 hereof.

"Steensby Expansion" has the meaning given to that term in section ~~14~~24;

"Subsequent Advance" has the meaning given to that term in section 8;

"Supermajority DIP Lender Budget Consent Right" has the meaning given to that term in section 14;

"Supermajority DIP Lenders" means, as of any time of determination, DIP Lenders holding not less than 66.67% of the sum of all DIP Loans outstanding and undrawn commitments in effect with respect thereto (without taking into account any commitments temporarily held by the Fronting Lender for the account of the ultimate Lenders) at such time; provided that, at all times, "Supermajority DIP Lenders" must include at least three (3) DIP Lenders, which DIP Lenders are not affiliates of each other.

"Tax" and "Taxes" means any taxes, duties, fees, premiums and assessments imposed by any Governmental Authority, including all interest, penalties, fines or additions to tax imposed by any Governmental Authority in respect thereof, and including those levied on, or measured by, income, gross receipts, profits, capital, transfer, land transfer, sales, goods and services, harmonized sales, excise, withholding, business, franchising, property, development, occupancy, payroll, health, social services, education, employment and all social security taxes, all surtaxes, all customs, duties and import and export taxes, countervail and anti-dumping, all licence, franchise and

registration fees and all employment insurance, health insurance and Canada, and other government pension plan premiums or contributions;

"**Updated Cash Flow**" has the meaning given to that term in section 14;

"**Variance Report**" means a report in a form satisfactory to the Required DIP Lenders and the Monitor acting reasonably setting forth for all Obligors (i) actual receipts and disbursements for the preceding ~~four-week period (each such period, a~~ Testing Period) for each line item in the Approved Cash Flow Forecast for such ~~previous four-week period~~ Testing Period, and (ii) actual receipts and disbursements on a cumulative basis since the beginning of the period covered by the then operative Approved Cash Flow Forecast, in each case as against the then operative Approved Cash Flow Forecast, and setting forth all the variances, on a line-item and aggregate basis in comparison to the amounts set forth in respect thereof in the then operative Approved Cash Flow Forecast. Each Variance Report shall include reasonably detailed explanations for any variances for either receipts or disbursements, in each case exceeding five percent (5%) of the Approved Cash Flow Forecast for each line item in the Approved Cash Flow Forecast and all items on a cumulative basis during the relevant period; and

"**Withholding Taxes**" has the meaning given to that term in section ~~29~~30.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first written above.

BORROWERS:

**BAFFINLAND IRON MINES
CORPORATION**

by _____

**BAFFINLAND IRON MINES LP, by its
general partner, BAFFINLAND IRON
MINES CORPORATION**

by _____

GUARANTORS:

NUNAVUT IRON ORE, INC.

by _____

12334992 CANADA INC.

by _____

SCHEDULE A
DIP FACILITY COMMITMENTS

DIP Lender	DIP Commitment	Notice Information
Brigade Capital Management, LP	\$ ~~22,000,000~~ <u>30,000,000</u>	
~~Citadel Advisors LLC~~	~~\$8,000,000~~	
Polen Capital Credit, LLC	\$45,000,000	
Opps XII BLIM Holdings, L.P.	\$180,000,000	Oaktree Capital Management 555 South ~~Flor~~ <u>Flower</u> Street, 36 th Floor Los Angeles, CA 90071 Attention: David Nicoll Email: dnicoll@oaktreecapital.com
Hartree Partners, LP	\$45,000,000	Hartree Partners, LP 1185 Avenue of the Americas, New York, NY 10036 Attention: Scott Potolsky Email: HMFI-notices@hartreepartners.com CC: legalNY@hartreepartners.com
Total	\$300,000,000	

SCHEDULE B

APPROVED CASH FLOW FORECAST

SCHEDULE C

LOAN GUARANTY

(a) Each Guarantor hereby agrees that it is jointly and severally liable for, and, as a primary obligor and not merely as surety, and absolutely and unconditionally and irrevocably guarantees to the DIP Agent for the ratable benefit of the DIP Lenders and the other secured parties (the "**Guaranty**") the full and prompt payment, when and as the same shall become due, whether at stated maturity, upon acceleration or otherwise, and at all times thereafter, of the DIP Obligations (collectively the "**Guaranteed Obligations**"). Each Guarantor further agrees that the Guaranteed Obligations may be extended or renewed in whole or in part without notice to or further assent from it, and that it remains bound upon its guarantee notwithstanding any such extension or renewal. If any or all of the Guaranteed Obligations becomes due and payable hereunder, each Guarantor, unconditionally and irrevocably, promises to pay such indebtedness to the DIP Agent and/or the DIP Lenders or the other secured parties, on demand, together with any and all expenses which may be incurred by the DIP Agent and the DIP Lenders in collecting any of the Guaranteed Obligations, to the extent reimbursable in accordance with this Agreement.

(b) Guaranty of Payment. This Guaranty is a guaranty of payment and not of collection. Each Guarantor waives any right to require the DIP Agent or any DIP Lender to sue any Borrower, any other Guarantor or any other Person obligated for all or any part of the Guaranteed Obligations (each, an "**Obligated Party**"), or otherwise to enforce its rights in respect of any collateral securing all or any part of the Guaranteed Obligations. The DIP Agent may enforce this Loan Guaranty upon the occurrence and during the continuance of an Event of Default.

(c) No Discharge or Diminishment of Guaranty.

(i) Except as otherwise provided for herein, the obligations of each Guarantor hereunder are unconditional, irrevocable and absolute and not subject to any reduction, limitation, impairment or termination for any reason, including: (i) any claim of waiver, release, extension, renewal, settlement, surrender, alteration, or compromise of any of the Guaranteed Obligations, by operation of law or otherwise; (ii) any change in the corporate existence, structure or ownership of any Obligated Party; (iii) any insolvency, bankruptcy, reorganization or other similar proceeding affecting any Obligated Party, or their assets or any resulting release or discharge of any obligation of any Obligated Party; (iv) the existence of any claim, setoff or other rights which any Guarantor may have at any time against any Obligated Party, the DIP Agent, any DIP Lender or any other Person, whether in connection herewith or in any unrelated transactions; (v) any direction as to application of payments by any Borrower or by any other party; (vi) any other continuing or other guaranty, undertaking or maximum liability of a Guarantor or of any other party as to the Guaranteed Obligations; (vii) any payment on or in reduction of any such other guaranty or undertaking; (viii) any dissolution, termination or increase, decrease or change in personnel by the Borrowers or (ix) any payment made to the DIP Agent or any DIP Lender on the Guaranteed Obligations which any such DIP Agent or DIP Lender repays to any Borrower pursuant to court order in any bankruptcy, reorganization, arrangement, moratorium or other debtor relief proceeding, and each Guarantor waives any right to the deferral or modification of its obligations hereunder by reason of any such proceeding.

(ii) Except for termination of a Guarantor's obligations hereunder, the obligations of each Guarantor hereunder are not subject to any defense (other than defense of payment resulting in a payment in full in cash of the Guaranteed Obligations) or setoff, counterclaim, recoupment, or termination whatsoever by reason of the invalidity, illegality, or unenforceability of any of the Guaranteed Obligations or otherwise, or any provision of applicable law or regulation purporting to prohibit payment by any Obligated Party, of the Guaranteed Obligations or any part thereof.

(iii) Further, the obligations of any Guarantor hereunder are not discharged or impaired or otherwise affected by: (i) the failure of the DIP Agent or any DIP Lender to assert any claim or demand or to enforce any remedy with respect to all or any part of the Guaranteed Obligations; (ii) any waiver or modification of or supplement to any provision of any agreement relating to the Guaranteed Obligations; (iii) any release, non-perfection, or invalidity of any indirect or direct security for the obligations of the Borrowers for all or any part of the Guaranteed Obligations or any obligations of any other Guarantor or of other Person liable for any of the Guaranteed Obligations; (iv) any action or failure to act by the DIP Agent or any DIP Lender with respect to any collateral securing any part of the Guaranteed Obligations; or (v) any default, failure or delay, willful or otherwise, in the payment or performance of any of the Guaranteed Obligations, or any other circumstance, act, omission or delay that might in any manner or to any extent vary the risk of such Guarantor or that would otherwise operate as a discharge of any Guarantor as a matter of law or equity.

(d) Defenses Waived. To the fullest extent permitted by applicable law and except for termination of a Guarantor's obligations hereunder, each Guarantor hereby waives any defense based on or arising out of any defense of any Borrower or any other Guarantor or arising out of the disability of the Borrowers or any other Guarantor or any other party or the unenforceability of all or any part of the Guaranteed Obligations or any part thereof from any cause, or the cessation from any cause of the liability of any Borrower or any other Guarantor. Without limiting the generality of the foregoing, each Guarantor irrevocably waives acceptance hereof, presentment, demand, protest and, to the fullest extent permitted by law, any notice not provided for herein, including notices of nonperformance, notices of protest, notices of dishonor, notices of acceptance of this Guaranty, and notices of the existence, creation or incurrence of new or additional Guaranteed Obligations, as well as any requirement that at any time any action be taken by any Person against any Obligated Party, or any other Person, including any right to require the DIP Agent or any DIP Lender to (i) proceed against any Borrower, any other Guarantor or any other party, (ii) proceed against or exhaust any security held from any Borrower, any other Guarantor or any other party or (iii) pursue any other remedy in any DIP Agent's or DIP Lenders' power whatsoever. The DIP Agent may, at its election, foreclose on any collateral held by it by one or more judicial or nonjudicial sales, whether or not every aspect of any such sale is commercially reasonable (to the extent permitted by applicable law), accept an assignment of any such collateral in lieu of foreclosure or otherwise act or fail to act with respect to any collateral securing all or a part of the Guaranteed Obligations, and the DIP Agent may, at its election, compromise or adjust any part of the Guaranteed Obligations, make any other accommodation with any Obligated Party or exercise any other right or remedy available to it against any Obligated Party, or any security, without affecting or impairing in any way the liability of such Guarantor under this Guaranty. To the fullest extent permitted by applicable law, each Guarantor waives any defense arising out of any such election even though that election may operate, pursuant to applicable law, to impair or extinguish any right of reimbursement or subrogation or other right or remedy of any Guarantor against any Obligated Party or any security.

(e) Authorization. The Guarantors authorize the DIP Agent and the DIP Lenders without notice or demand (except as shall be required by applicable statute and cannot be waived), and without affecting or impairing its liability hereunder, from time to time, to:

(i) change the manner, place or terms of payment of, and/or change or extend the time of payment of, renew, increase, accelerate or alter, any of the Guaranteed Obligations (including any increase or decrease in the principal amount thereof or the rate of interest or fees thereon), any security therefor, or any liability incurred directly or indirectly in respect thereof, and this Guaranty shall apply to the Guaranteed Obligations as so changed, extended, renewed or altered;

(ii) take and hold security for the payment of the Guaranteed Obligations and sell, exchange, release, impair, surrender, realize upon or otherwise deal with in any manner and in any order any property by whomsoever at any time pledged or mortgaged to secure, or howsoever securing, the Guaranteed Obligations or any liabilities (including any of those hereunder) incurred directly or indirectly in respect thereof or hereof, and/or any offset there against;

(iii) exercise or refrain from exercising any rights against any Obligor or others or otherwise act or refrain from acting;

(iv) release or substitute any one or more endorsers, Guarantors, or the Borrowers, or other obligors;

(v) settle or compromise any of the Guaranteed Obligations, any security therefor or any liability (including any of those hereunder) incurred directly or indirectly in respect thereof or hereof, and may subordinate the payment of all or any part thereof to the payment of any liability (whether due or not) of the Borrowers to their creditors other than the DIP Agent or DIP Lenders;

(vi) apply any sums by whomsoever paid or howsoever realized to any liability or liabilities of the Borrowers to the DIP Agent or DIP Lenders regardless of what liability or liabilities of the Borrowers remain unpaid;

(vii) consent to or waive any breach of, or any act, omission or default under, this Agreement or any of the instruments or agreements referred to herein, or otherwise amend, modify or supplement this Agreement or any related documents or other such instruments or agreements; and/or

(viii) take any other action which would, under otherwise applicable principles of common law, give rise to a legal or equitable discharge of the Guarantors from their respective liabilities under this Loan Guaranty.

(f) Rights of Subrogation. Any indebtedness of the Borrowers now or hereafter owing to any Guarantor is hereby subordinated to the Obligations owing to the DIP Agent and the DIP Lenders; and if the DIP Agent so requests at a time when an Event of Default exists, all such indebtedness of the Borrowers to such Guarantor shall be collected, enforced and received by such Guarantor for the benefit of the DIP Agent and the DIP Lenders and be paid over to the DIP Agent on behalf of the DIP Lenders on account of the Guaranteed Obligations, but without affecting or impairing in any manner the liability of such Guarantor under the other provisions of this Guaranty.

(g) Reinstatement; Stay of Acceleration. If at any time any payment of any portion of the Guaranteed Obligations is rescinded or must otherwise be restored or returned upon the

insolvency, bankruptcy, or reorganization of any Borrower or otherwise, each Guarantor's obligations under this Guaranty with respect to that payment shall be reinstated at such time as though the payment had not been made. If acceleration of the time for payment of any of the Guaranteed Obligations is stayed upon the insolvency, bankruptcy or reorganization of any Borrower, all such amounts otherwise subject to acceleration under the terms of any agreement relating to the Guaranteed Obligations shall nonetheless be payable by the other Guarantors forthwith on demand by the DIP Agent.

(h) Liability Cumulative. The liability of each Guarantor under this Loan Guaranty is in addition to and shall be cumulative with all liabilities of such Guarantor to the DIP Agent and the DIP Lenders under this Agreement and any related documents to which such Guarantor is a party or in respect of any obligations or liabilities of the other Guarantors, without any limitation as to amount, unless the instrument or agreement evidencing or creating such other liability specifically provides to the contrary.

This is Exhibit "J" referred to in the Affidavit of Joshua Gordon, affirmed June 4, 2026. The affiant and I both were located in the City of Toronto, in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Alec Hoy
Law Society of Ontario Number: 85489K

From: "Farr, Sierra" <sfarr@osler.com>

Date: June 1, 2026 at 9:46:50 PM EDT

To: rschwill@dwpv.com, nrenner@dwpv.com, rnicolls@dwpv.com, smonahan@dwpv.com, ABarnes@dwpv.com, greg.watson@fticonsulting.com, Jeffrey.Rosenberg@fticonsulting.com, nate.fennema@fticonsulting.com, mkonyukhova@stikeman.com, pyang@stikeman.com, bketwaroo@stikeman.com, "Jacobs, Ryan" <rjacobs@cassels.com>, "Pinos, Timothy" <tpinos@cassels.com>, "Wunder, Michael" <mwunder@cassels.com>, "Levine, Natalie" <nlevine@cassels.com>, evan.cobb@nortonrosefulbright.com, lwilliams@mccarthy.ca, abowron@mccarthy.ca, tcourtis@mccarthy.ca, rchadwick@goodmans.ca, cdescours@goodmans.ca, jlinde@goodmans.ca, gillp@bennettjones.com, zweigs@bennettjones.com, lamatogauci@millerthomson.com, pcorney@millerthomson.com, cshefman@oktlaw.com, cbesant@grllp.com, rwinterstein@grllp.com, mlauricella@grllp.com, iyoo@grllp.com, john.salmas@dentons.com, kenneth.kraft@dentons.com, l.fraser-richardson@dentons.com, kgwynne@reedsmith.com, jangelo@reedsmith.com, linc.rogers@blakes.com, markus.viirland@blakes.com, kevin.wu@blakes.com, SBabe@blg.com, NHollard@blg.com, RYehia@blg.com, Ken.Rosenberg@paliareroland.com, max.starnino@paliareroland.com, joshua.hearn@paliareroland.com, hmeredith@mccarthy.ca, stanvir@mccarthy.ca, chris.burr@blakes.com, dbish@torys.com, mnoel@torys.com, vdare@foglers.com, rthornton@tgf.ca, धारलंद@tgf.ca, ssrikaruna@tgf.ca, curtis.stewart@wscc.nt.ca, aryo.shalviri@blakes.com, gphoenix@ln.law, shamraz@ln.law, DSmith@blg.com, JFontaine@blg.com, rlaity@blg.com, ryan.baxter@mcinnescooper.com, peter.rogers@mcinnescooper.com, MGrossell@tgf.ca, rohare@tgf.ca, Margaret.ryan@arcelormittal.com, Mark.Turner@cibc.com, Doug.Raymont@cat.com, torbankruptcy@justice.gc.ca, AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca, Kevin.Dias@justice.gc.ca, dtermorshuizen@leasedirect.com, minglis@docucomm.ca, service.attorneygeneral@gov.nu.ca, mollie.johnson@ec.gc.ca, Tony.mamone@epiroc.com, insolvency.unit@ontario.ca, vineet.Mehra@irh.ae, Quinn.Roussel@macquarie.com, DEvyagotailak1@gov.nu.ca, igroves@qia.ca, liland@oktlaw.com, olivier.jacques@groupegilbert.com, RTanuyak@gov.nu.ca, MAPaiement@wajax.com, jprovenzano@wilmingtontrust.com, bkrueger@wilmingtontrust.com, mpollio@goodwin.com, pni@wanxiang.com, jraymond@emgtx.com, rocco.fabiano@scotiabank.com, justinl.mitges@scotiabank.com, stephen.macneil@scotiabank.com, jowdat.waheed@nio.baffinland.com, bruce.walter@wwmines.com, jcalvert@emgtx.com, herrington.bruce@sourceatlantic.ca, kerwin.yee@claretmgmt.com, apillay@mathewsdinsdale.com, madeleind@wabash.ca

Cc: "Wasserman, Marc" <MWasserman@osler.com>, "De Lellis, Michael" <MDeLellis@osler.com>, "Dacks, Jeremy" <JDacks@osler.com>, "Dick, Marleigh" <mdick@osler.com>, "Muller, Ben" <bmuller@osler.com>, "Stewart, Megan" <mstewart@osler.com>

Subject: Nunavut Iron Ore, Inc. et al – Court File No. CL-26-00000219-0000

To The Service List:

We are counsel to the Monitor, FTI Consulting Canada Inc., in respect of the above-noted matter.

In accordance with the Endorsement of the Court dated May 25, 2026, counsel for the Monitor contacted the Court to discuss the June 3rd hearing. In light of the status of the DIP Solicitation Process and the fact that the Stay of Proceedings currently expires on June 5, 2026, counsel to the Monitor advised the Court of its view that the date of the hearing should be changed to Friday, June 5, 2026.

The Court has advised the Monitor that the next hearing in this matter will now be held at 11:00 am on June 5, 2026, in person before Justice Steele in a hybrid courtroom.

We will provide the location of the courtroom prior to the hearing.

Regards,
Sierra

OSLER

Sierra Farr
Associate
416.862.6499 | sfarr@osler.com
Osler, Hoskin & Harcourt LLP | [osler.com](https://www.osler.com)

This is Exhibit “K” referred to in the Affidavit of Joshua Gordon, affirmed June 4, 2026. The affiant and I both were located in the City of Toronto, in the Province of Ontario. This affidavit was commissioned remotely in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

Commissioner Name: Alec Hoy
Law Society of Ontario Number: 85489K

From: "Pinos, Timothy"

Date: June 2, 2026 at 8:05:59 AM EDT

To: "Renner, Natalie" , rschwill@dwvpv.com, mwasserman@osler.com, Jeffrey Rosenberg ,
"Watson, Greg"

Cc: Maria Konyukhova , Dan Murdoch , "Jacobs, Ryan" , "Merskey, Alan" , "Dizengoff, Ira" ,
"Lahaie, Meredith"

Subject: Baffinland CCAA Proceeding [IMAN-LEGAL.FID6977589]

We write as counsel to the Ad Hoc Committee of Senior Secured Noteholders.

Further to Ms. Farr's email of 9:47 pm last night please advise when parties can expect to receive motion material. Further, we request a meeting this morning with the Monitor, its counsel and the Company's counsel. Please advise of a proposed time.

It will be impossible for any party opposing the relief sought on Friday to meaningfully respond to the motion, and exercise their rights to file evidence, cross-examine, and file a factum. The rescheduling from Wednesday to Friday is mere window-dressing that will not mitigate the denial of natural justice that will occur. In the event that our clients oppose the motion (which they have not seen), we will be taking the position that the motion cannot be entertained on Friday at all.

We ask that in any event, you provide blacklines comparing the term sheet for the proposed DIP provider to each of (a) the original DIP solicitation term sheet circulated by the Company; and (b) the DIP term sheet submitted by the proposed DIP provider on Saturday afternoon.

Our clients are deeply disappointed by the complete lack of any communication or engagement from the company and monitor since the Ad Hoc Committee submitted their binding and actionable joint DIP financing commitment with the first secured creditors on Saturday. The Ad Hoc Committee reserves all of its rights including opposition to any priming financing on a non-consensual basis.

We look forward to hearing from you.

Cassels

TIMOTHY PINOS

Partner

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e: tpinos@cassels.com

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Suite 3200, Bay Adelaide Centre – North Tower

40 Temperance St.

Toronto, ON M5H 0B4 Canada

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF NUNAVUT IRON ORE, INC.,
BAFFINLAND IRON MINES CORPORATION, and 12334992 CANADA INC.

Court File No. CL-26-00000219-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

PROCEEDING COMMENCED AT
TORONTO

**AFFIDAVIT OF JOSHUA GORDON
(SWORN JUNE 4, 2026)**

CASSELS BROCK & BLACKWELL LLP
Suite 3200, Bay Adelaide Centre - North Tower
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*Lawyers for the Ad Hoc Committee of Senior Secured
Noteholders*

TAB 3

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE

)

FRIDAY, THE 5TH

)

MADAM JUSTICE STEELE

)

DAY OF JUNE, 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

SECOND AMENDED AND RESTATED INITIAL ORDER

THIS APPLICATION, made by Nunavut Iron Ore, Inc., Baffinland Iron Mines Corporation (**"BIMC"**), and 12334992 Canada Inc. (collectively, the **"Applicants"**) pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the **"CCAA"**) for an Order amending and restating the initial order issued by this Court on May 15, 2026 (the **"Initial Order"**), as amended and restated on May 25, 2026, was heard this day at 330 University Avenue, Toronto, Ontario

ON READING the Application Record of the Applicants dated May 15, 2026 (the **"Application Record"**), including the Affidavit of Celeste van Tonder sworn May 14, 2026 (the **"Initial Van Tonder Affidavit"**), the Motion Record of the Applicants dated May 20, 2026, including the Affidavit of Celeste van Tonder sworn May 20, 2026 (the **"Second Van Tonder Affidavit"**), the Motion Record of the

Applicants dated June 3, 2026 (together, with the Motion Record dated May 20, 2026, the “**Motion Records**”), including the Affidavit of Celeste van Tonder sworn June 3, 2026 (the “**Third Van Tonder Affidavit**” and together with the Initial Van Tonder Affidavit and the Second Van Tonder Affidavit, the “**Van Tonder Affidavits**”), the consent of FTI Consulting Canada Inc. (“**FTI**”) to act as the Court-appointed monitor of the Applicants (in such capacity, the “**Monitor**”), the Pre-Filing Report of the Monitor dated May 14, 2026, the First Report of the Monitor dated May 22, 2026, the Second Report of the Monitor (the “**Second Report**”), and the Cross-Motion of the Senior Secured Lenders, including the Affidavit of Joshua Gordon sworn June 4, 2026 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 Applicants and Baffinland Iron Mines LP (collectively, the “**Debtors**” and each a “**Debtor**”), counsel for the Monitor, counsel for the First Secured Lenders, counsel for the Ad Hoc Committee 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 the time for service of the Notice of Application, the Application Record, and the Motion Records, is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof:
2. **THIS COURT ORDERS** that capitalized terms used but not defined in this Order shall have the meanings given to them in the Van Tonder Affidavits, as applicable, and that any words importing the singular include the plural and vice versa.

APPLICATION

3. **THIS COURT ORDERS AND DECLARES** that the Applicants are companies to which the CCAA applies. Although not an Applicant, Baffinland Iron Mines LP shall enjoy the benefits of the protections and authorizations provided by this Order as if it were an “Applicant” hereunder.

PLAN OF ARRANGEMENT

4. **THIS COURT ORDERS** that the Debtors shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the “**Plan**”).

POSSESSION OF PROPERTY AND OPERATIONS

5. **THIS COURT ORDERS** that the Debtors shall remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the “**Property**”). Subject to further Order of this Court, the Debtors shall continue to carry on business in a manner consistent with the preservation of their business (the “**Business**”) and Property. The Debtors are authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, advisors, counsel and such other persons (collectively “**Assistants**”) currently retained or employed by them, with liberty to retain such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

6. **THIS COURT ORDERS** that, subject to the terms of the DIP Agreement (as defined below) the Debtors shall be entitled to continue to utilize the central cash management system currently in place as described in the Initial Van Tonder Affidavit or replace it with another substantially

similar central cash management system (the “**Cash Management System**”) and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Debtors of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Debtors, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under any Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

7. **THIS COURT ORDERS** that, notwithstanding anything else in this Order: the Canadian Imperial Bank of Commerce (“**CIBC**”) and The Bank of Nova Scotia (“**BNS**”), each in their capacity as issuer of any letter of credit where BIMC is principal shall be permitted to set-off or otherwise enforce against any cash or Guaranteed Investment Certificate held in an account with CIBC or BNS as collateral (“**Cash Collateral**”) for the payment obligations owing to CIBC or BNS in respect of any such letter of credit (the “**LC Payment Obligations**”), or, in the case of BNS, for the payment obligations owing to BNS in respect of any corporate credit cards issued by BNS to or for the benefit of BIMC (collectively, the “**Corporate Card Obligations**”), (b) each of CIBC, BNS and the Bank of Montreal (“**BMO**”) shall be permitted to deliver any notice or demand to BIMC that it deems necessary for the sole purpose of drawing upon any demand bond or guarantee or other third party credit support or security provided to CIBC, BNS or BMO to secure any LC Payment Obligations, or, in the case of BNS, any Corporate Card Obligations, and (c)

CIBC and BNS shall be an unaffected creditor under any Plan with respect to any LC Payment Obligations, or, in the case of BNS, any Corporate Card Obligations.

8. **THIS COURT ORDERS** that, subject to the terms of the DIP Agreement, the Debtors shall be entitled but not required to pay the following expenses whether incurred prior to, on, or after the date of the Initial Order:

- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay, long-term incentive plan payments, short-term incentive plan payments payable on or after the date of the Initial Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements;
- (b) the fees and disbursements of any Assistants retained or employed by the Debtors in respect of these proceedings, at their standard rates and charges; and
- (c) with the consent of the Monitor, amounts owing for goods or services supplied to the Debtors prior to the date of the Initial Order by third-party suppliers or service providers, if, in the opinion of the Debtors such supplier or service provider is critical to the Business or the Property.

9. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, and subject to the terms of the DIP Agreement, the Debtors shall be entitled but not required to pay all reasonable expenses incurred by the Debtors in carrying on the Business in the ordinary course after the date of the Initial Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and
- (b) payment for goods or services actually supplied to the Debtors following the date of the Initial Order.

10. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the Debtors shall pay all amounts due and payable after the date of the Initial Order to the Qikiqtani Inuit Association in accordance with the Benefits Agreement, other than such amounts which are subject to a bona fide dispute with respect to payment between the Debtors and the Qikiqtani Inuit Association.

11. **THIS COURT ORDERS** that the Debtors shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without
- (b) limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Northern Employee Benefits Services Pension Plan, and (iv) income taxes, and all other amounts related to such deductions or employee wages payable for periods following the Initial Filing Date pursuant to the *Income Tax Act*, the *Canada Pension Plan*, the *Employment Insurance Act* or similar provincial statutes;

- (c) all goods and services or other applicable sales taxes (collectively, “**Sales Taxes**”) required to be remitted by the Debtors in connection with the sale of goods and services by the Debtors, but only where such Sales Taxes are accrued or collected after the date of the Initial Order, or where such Sales Taxes were accrued or collected prior to the date of the Initial Order but not required to be remitted until on or after the date of the Initial Order; and
- (d) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Debtors.

12. **THIS COURT ORDERS** that until a real property lease is disclaimed in accordance with the CCAA, the Debtors shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Debtors and the landlord from time to time (“**Rent**”), for the period commencing from and including the date of the Initial Order, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of the Initial Order shall also be paid.

13. **THIS COURT ORDERS** that, except as specifically permitted herein, the Debtors are hereby directed, until further Order of this Court: (a) to make no payments of principal, interest

thereon or otherwise on account of amounts owing by the Debtors to any of their creditors as of the date of the Initial Order; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of their Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

14. **THIS COURT ORDERS** that the Debtors shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the DIP Agreement, have the right to:

- (a) permanently or temporarily cease, downsize or shut down any of their business or operations, and to dispose of redundant or non-material assets not exceeding US\$1,000,000 in any one transaction or US\$5,000,000 in the aggregate;
- (b) terminate the employment of such of their employees or temporarily lay off such of their employees as they deem appropriate, subject to the terms of the Benefits Agreement with respect to any Inuit employees; and
- (c) pursue all avenues of refinancing of their Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing;

all of the foregoing to permit the Debtors to proceed with an orderly restructuring of the Business (the “**Restructuring**”).

15. **THIS COURT ORDERS** that the Debtors shall provide each of the relevant landlords with notice of the Debtors’ intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have

a representative present in the leased premises to observe such removal and, if the landlord disputes the Debtors' entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Debtors, or by further Order of this Court upon application by the Applicants on at least two (2) days' notice to such landlord and any such secured creditors. If the Debtors disclaim the lease governing such leased premises in accordance with Section 32 of the CCAA, they shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer of the lease shall be without prejudice to the Debtors' claim to the fixtures in dispute.

16. **THIS COURT ORDERS** that if a notice of disclaimer is delivered pursuant to Section 32 of the CCAA, then during the notice period prior to the effective time of the disclaimer, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Debtors and the Monitor 24 hours' prior written notice, and at the effective time of the disclaimer, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Debtors in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

17. **THIS COURT ORDERS** that until and including August 28, 2026, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Debtors or the Monitor or their respective employees, advisors or representatives acting in such

capacities, or affecting the Business or the Property, except with the written consent of the Debtors and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Debtors or their employees, advisors and representatives acting in such capacities or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

18. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being “**Persons**” and each being a “**Person**”) against or in respect of the Debtors or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Debtors and the Monitor, or leave of this Court, provided that nothing in this Order shall (a) empower the Debtors to carry on any business which the Debtors are not lawfully entitled to carry on, (b) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (c) prevent the filing of any registration to preserve or perfect a security interest, or (d) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

19. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, suspend, alter, accelerate, interfere with, repudiate, rescind, terminate or cease to perform any right, renewal right, contract, agreement, lease, sublease, licence, authorization or permit in favour of or held by the Debtors, except with the written consent of the Debtors and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

20. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Debtors or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Business or the Debtors, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Debtors, and that the Debtors shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of the Initial Order are paid by the Debtors in accordance with normal payment practices of the Debtors or such other practices as may be agreed upon by the supplier or service provider and each of the Debtors and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

21. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or licensed property or other valuable consideration provided on or after the date of the Initial Order, nor shall any Person be under any obligation on or after the date of the Initial Order to advance or re-advance any monies or otherwise extend any credit to the Debtors. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST THE D&O PARTIES

22. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Debtors or against any member of the Operating Committee to the extent such member is or was directly or indirectly exercising the powers of the directors of any of the Debtors (collectively with the directors and officers, the “D&O Parties”) with respect to any claim against the D&O Parties that arose before the date hereof and that relates to any obligations of the Debtors whereby any of the D&O Parties are alleged under any law to be liable in their capacity as directors or officers, or in the case of members of the Operating Committee, in their capacity as persons exercising the powers of directors, directly or indirectly, for the payment or performance of such obligations, until a Plan in respect of the Debtors, if one is filed, is sanctioned by this Court or is refused by the creditors of the Debtors or this Court.

D&O PARTIES’ INDEMNIFICATION AND CHARGE

23. **THIS COURT ORDERS** that the Debtors shall indemnify the D&O Parties against obligations and liabilities that they may incur as directors or officers, or in the case of members of the Operating Committee, in their capacity as persons exercising the powers of directors of the Debtors, directly or indirectly, after the commencement of the within proceedings, including with respect to employee vacation pay which may have accrued prior to the commencement of these proceedings but which may become due and payable after the commencement of these proceedings, except to the extent that, with respect to any such D&O Party, the obligation or liability was incurred as a result of the D&O Party’s gross negligence or wilful misconduct.

24. **THIS COURT ORDERS** that the D&O Parties shall be entitled to the benefit of and are hereby granted a charge (the “**D&O Charge**”) on the Property, which charge shall not exceed an aggregate amount of US\$20.4 million, as security for the indemnity provided in paragraph 23 of this Order. The D&O Charge shall have the priority set out in paragraphs 42 and 44 herein.

25. **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the D&O Charge, and (b) D&O Parties shall only be entitled to the benefit of the D&O Charge to the extent that they do not have coverage under any directors’ and officers’ insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 23 of this Order.

APPOINTMENT OF MONITOR

26. **THIS COURT ORDERS** that FTI is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Debtors with the powers and obligations set out in the CCAA or set forth herein and that the Debtors and their shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Debtors pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor’s functions.

27. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Debtors’ receipts and disbursements;

- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) assist the Debtors, to the extent required by the Debtors, in their dissemination to the DIP Lender (as defined below) of financial and other information in accordance with the DIP Agreement, or as may otherwise be agreed between the Debtors and the DIP Lender, which may be used in these proceedings including reporting on a basis to be agreed with the DIP Lender;
- (d) advise the Debtors in their preparation of the Debtors' cash flow statements and the reporting required by the DIP Lender under the DIP Agreement, which information shall be reviewed with the Monitor and delivered to the DIP Lender in accordance with the DIP Agreement;
- (e) advise the Debtors in their development of the Plan and any amendments to the Plan;
- (f) assist the Debtors, to the extent required by the Debtors, with the holding and administering of creditors' and shareholders' meetings for voting on the Plan;
- (g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Debtors, to the extent that is necessary to adequately assess the Debtors' business and financial affairs or to perform its duties arising under this Order;

- (h) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and
- (i) perform such other duties as are required by this Order or by this Court from time to time.

28. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

29. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act, 1999*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act*, the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*, the *Fisheries Act*, the *Nunavut Planning and Project Assessment Act* and the *Nunavut Safety Act*, and regulations thereunder (collectively, the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by any applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order,

be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

30. **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Debtors, including without limitation, the DIP Lender, with information provided by the Debtors in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Debtors is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Debtors may agree.

31. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, neither the Monitor nor its respective employees, advisors and representatives acting in such capacities shall incur any liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

ADMINISTRATION CHARGE

32. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Debtors shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to, on or subsequent to the date of the Initial Order, by the Debtors as part of the costs of these proceedings. The Debtors are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Debtors on a bi-weekly basis and, in addition, the Debtors are hereby authorized to pay to the Monitor,

counsel to the Monitor, and counsel to the Debtors, reasonable retainers nunc pro tunc to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

33. **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

34. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, and the Debtors' counsel shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of US\$5 million, as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the date of the Initial Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 42 and 44 herein.

DIP FINANCING

35. **THIS COURT ORDERS** that the Debtors are hereby authorized and empowered to obtain and borrow or guarantee, as applicable, a senior secured, super-priority, debtor-in-possession, interim, revolving credit facility under a DIP Facility Loan Agreement dated as of June ●, 2026 (as may be amended, restated, supplemented and/or modified from time to time) (the "**DIP Agreement**") from Brigade Capital Management, LP, Polen Capital Credit, LLC. Opps XII BLIM Holdings, L.P. and Hartree Partners, LP (such lenders and, if a DIP Agent (as defined in the DIP Agreement) is appointed by them pursuant to the DIP Agreement, the DIP Agent, collectively, the "**DIP Lender**"), in order to finance the Debtors' working capital requirements, other general corporate purposes and capital expenditures, and other amounts permitted under the DIP

Agreement, provided that borrowings under such credit facility shall not exceed the maximum principal amount of US\$300 million, unless permitted by further Order of this Court.

36. **THIS COURT ORDERS** that such credit facility shall be on the terms and subject to the conditions set forth in the DIP Agreement attached as Exhibit “I” to the Third Van Tonder Affidavit.

37. **THIS COURT ORDERS** that the Debtors are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the “**Definitive Documents**”), as are contemplated by the DIP Agreement or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Debtors are hereby authorized and directed to pay and perform all of their obligations to the DIP Lender under and pursuant to the DIP Agreement and the Definitive Documents (collectively, the “**DIP Obligations**”) as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

38. **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the “**DIP Charge**”) on the Property to secure all obligations then outstanding and owing to the DIP Lender under the DIP Agreement or the Definitive Documents, in each case arising on or after the date of this Order. The DIP Charge shall not secure any obligation that exists before the date of the Initial Order, and shall have the priority set out in paragraphs 42 and 44 herein.

39. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Charge or any of the Definitive Documents;

- (b) upon the occurrence of an event of default under the DIP Agreement, which is continuing on the date which is 5 business days after the Debtors have received written notice of such event of default from the DIP Lender, the DIP Lender may in its discretion, exercise any and all of its rights and remedies against the Debtors or the Property under or pursuant to the DIP Agreement, Definitive Documents and the DIP Charge, including without limitation, to cease making advances to the Debtors and set off and/or consolidate any amounts owing by the DIP Lender to the Debtors against the obligations of the Debtors to the DIP Lender under the DIP Agreement, the Definitive Documents or the DIP Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Debtors and for the appointment of a trustee in bankruptcy of the Debtors; and
- (c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Debtors or the Property.

40. **THIS COURT ORDERS AND DECLARES** that, unless otherwise agreed by the DIP Lender, the DIP Lender shall be treated as unaffected in any Plan filed by the Debtors under the CCAA, or any proposal filed by the Debtors under the Bankruptcy and Insolvency Act (Canada) (the “**BIA**”), with respect to any advances made pursuant to the DIP Agreement, other than after payment in full in cash to the DIP Lender of all DIP Obligations owing to it on or before the date such Plan is implemented.

41. **THIS COURT ORDERS** that this Order is subject to provisional execution and that if any of the provisions of this Order in connection with the DIP Agreement, the Definitive Documents or the DIP Charge shall subsequently be stayed, modified, varied, amended, reversed or vacated in whole or in part (collectively, a “**Variation**”), such Variation shall not in any way impair, limit or lessen the priority, protections, rights or remedies of the DIP Lender, whether under this Order (as made prior to the Variation), under the DIP Agreement or the Definitive Documents with respect to any advances made or obligations incurred prior to the DIP Lender being given notice of the Variation, and the DIP Lender shall be entitled to rely on this Order as issued (including, without limitation, the DIP Charge) for all advances so made and other obligations set out in the DIP Agreement and the Definitive Documents.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

42. **THIS COURT ORDERS** that the priorities of the Administration Charge, the D&O Charge, and the DIP Charge (collectively, the “**Charges**”) as among them, shall be as follows:

First – the Administration Charge (to the maximum amount of US\$5 million);

Second – the D&O Charge (to the maximum amount of US\$20.4 million); and

Third – the DIP Charge (to the maximum amount of the DIP Obligations then outstanding).

43. **THIS COURT ORDERS** that the filing, registration or perfection of the Charges shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

44. **THIS COURT ORDERS** that each of the Charges shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, “**Encumbrances**”) in favour of any Person, other than the rights of CIBC or BNS in respect of any Cash Collateral in respect of any LC Payment Obligations, or, in the case of BNS, any Corporate Card Obligations.

45. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Debtors shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges or the Cash Collateral, unless the Debtors also obtain the prior written consent: (a) in the case of the Charges, the Monitor and the beneficiaries of the affected Charges, and (b) in the case of the Cash Collateral, the Monitor, the beneficiaries of the affected Charges and CIBC and BNS, or, in each case, further Order of this Court.

46. **THIS COURT ORDERS** that the Charges shall not be rendered invalid or unenforceable and the rights and remedies of the chargees thereunder (the “**Chargees**”) shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an “**Agreement**”) which binds the Debtors, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the DIP Agreement or the Definitive Documents shall create or be deemed to constitute a breach by any of the Debtors of any Agreement to which it is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Debtors entering into the DIP Agreement or the Definitive Documents, creation of the Charges or the execution, delivery or performance of the DIP Agreement or the Definitive Documents; and
- (c) the payments made by the Debtors pursuant to this Order or the DIP Agreement or the Definitive Documents and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

47. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Debtors' interest in such real property leases.

SERVICE AND NOTICE

48. **THIS COURT ORDERS** that the Monitor shall (a) without delay, publish in the *Globe and Mail* (National Edition), a notice containing the information prescribed under the CCAA, (b) within five days after the date of the Initial Order, (i) make this Order publicly available in the manner prescribed under the CCAA, (ii) send, or cause to be sent, in the prescribed manner, a notice to every known creditor who has a claim against the Debtors of more than \$1,000, and (iii) prepare

a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

49. **THIS COURT ORDERS** that the Monitor shall create, maintain and update as necessary a list of all Persons appearing in person or by counsel in this proceeding (the “**Service List**”). The Monitor shall post the Service List, as may be updated from time to time, on the Monitor’s website as part of the public materials to be recorded thereon in relation to this proceeding. Notwithstanding the foregoing, the Monitor shall have no liability in respect of the accuracy of or the timeliness of making any changes to the Service List.

50. **THIS COURT ORDERS** that the E-Service Guide of the Commercial List (the “**Guide**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Guide (which can be found on the Commercial List website at <https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 13 of the Guide, service of documents in accordance with the Guide will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Guide with the following URL: <https://cfcanada.fticonsulting.com/baffinland>.

51. **THIS COURT ORDERS** that if the service, distribution or notice of documents in accordance with the Guide or the CCAA and the regulations thereunder is not practicable, the Debtors, the Monitor and their respective counsel are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by

forwarding copies thereof by prepaid ordinary mail, courier, personal delivery, facsimile transmission or electronic message to the Debtors' creditors or other interested parties at their respective addresses (including e-mail addresses) as last shown in the books and records of the Debtors and that any such service, distribution or notice shall be deemed to be received on the earlier of (a) the date of forwarding thereof, if sent by electronic message on or prior to 5:00 p.m. (Eastern Time), (b) the next business day following the date of forwarding thereof, if sent by courier, personal delivery, facsimile transmission or electronic message sent after 5:00 p.m. (Eastern Time), or (c) on the business day following the date of forwarding thereof, if sent by ordinary mail.

52. **THIS COURT ORDERS** that the Debtors, the Monitor and their respective counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding copies thereof by electronic message (including by e-mail) to the Debtors' creditors or other interested parties and their advisors, as applicable. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of legal or judicial obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations* (SOR/2013-221).

SEALING

53. **THIS COURT ORDERS** that Confidential Exhibits "D" and "G" to the Third Van Tonder Affidavit, and Confidential Appendix "•" to the Second Report are hereby sealed pending further Order of the Court and shall not form part of the public record.

ADJOURNMENT AND LITIGATION SCHEDULE

54. **THIS COURT ORDERS** that Debtors' motion to approve the debtor-in-possession credit facility with His Majesty in Right of Canada, as represented by Export Development Canada is adjourned to July 7, 2026. Any party wishing to participate in the hearing will comply with the litigation schedule attached hereto as Schedule "A".

GENERAL

55. **THIS COURT ORDERS** that the Debtors or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

56. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Debtors, the Business or the Property.

57. **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, 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 to 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.

58. **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.

59. **THIS COURT ORDERS** that any interested party (including the Debtors and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

60. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date hereof and is enforceable without the need for entry and filing.

Schedule A

CCAA – DIP Financing Litigation Schedule

Step	Date
Responding and Cross Motion Record and Production Requests	June 11
Debtors' Reply Record and Production Requests Responses	June 17
Interrogatories to Monitor	June 22
Examination, Cross-Examinations	Week of June 22
Monitor Responses to Interrogatories	June 26
Monitor's Report	June 29
Debtors' and supporting parties' facta	June 30
Responding and Cross-Motion parties' facta	July 3
Debtors' Reply factum	July 6
Hearing (half day)	July 7 or after

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF NUNAVUT IRON ORE, INC., BAFFINLAND IRON MINES CORPORATION, and 12334992 CANADA INC.

Court File No. CL-26-00000219-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

PROCEEDING COMMENCED AT
TORONTO

SECOND AMENDED AND RESTATED INITIAL ORDER

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TAB 4

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE

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FRIDAY, THE 5TH

MADAM JUSTICE STEELE }

}

DAY OF JUNE, 2026

THE HONOURABLE

)

FRIDAY, THE 5THMADAM JUSTICE STEELE

)

DAY OF JUNE, 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

SECOND AMENDED AND RESTATED INITIAL ORDER

THIS APPLICATION, made by Nunavut Iron Ore, Inc., Baffinland Iron Mines Corporation ("**BIMC**"), and 12334992 Canada Inc. (collectively, the "**Applicants**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") for an Order amending and restating the initial order issued by this Court on May 15, 2026 (the "**Initial Order**"), as amended and restated on May 25, 2026, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Application Record of the Applicants dated May 15, 2026 (the "**Application Record**"), including the Affidavit of Celeste van Tonder sworn May 14, 2026 (the "**Initial Van Tonder**

Affidavit”), the Motion Record of the Applicants dated May 20, 2026, including the Affidavit of Celeste van Tonder sworn May 20, 2026 (the “**Second Van Tonder Affidavit**”), the Motion Record of the Applicants dated June 3, 2026 (together, with the Motion Record dated May 20, 2026, the “**Motion Records**”), including

the Affidavit of Celeste van Tonder sworn June 3, 2026 (the “**Third Van Tonder Affidavit**” and together with the Initial Van Tonder Affidavit and the Second Van Tonder Affidavit, the “**Van Tonder Affidavits**”), the consent of FTI Consulting Canada Inc. (“**FTI**”) to act as the Court-appointed monitor of the Applicants (in such capacity, the “**Monitor**”), the Pre-Filing Report of the Monitor dated May 14, 2026, the First Report of the Monitor dated May 22, 2026, ~~and~~ the Second Report of the Monitor (the “**Second Report**”), and [the Cross-Motion of the Senior Secured Lenders, including the Affidavit of Joshua Gordon sworn June 4, 2026 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 Applicants and Baffinland Iron Mines LP (collectively, the “**Debtors**” and each a “**Debtor**”), counsel for the Monitor, [counsel for the First Secured Lenders, counsel for the Ad Hoc Committee](#) 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 the time for service of the Notice of Application, the Application Record, and the Motion Records, is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that capitalized terms used but not defined in this Order shall have the meanings given to them in the Van Tonder Affidavits, as applicable, and that any words importing the singular include the plural and vice versa.

APPLICATION

3. **THIS COURT ORDERS AND DECLARES** that the Applicants are companies to which the CCAA applies. Although not an Applicant, Baffinland Iron Mines LP shall enjoy the benefits of the protections and authorizations provided by this Order as if it were an “Applicant” hereunder.

PLAN OF ARRANGEMENT

4. **THIS COURT ORDERS** that the Debtors shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the “**Plan**”).

POSSESSION OF PROPERTY AND OPERATIONS

5. **THIS COURT ORDERS** that the Debtors shall remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the “**Property**”). Subject to further Order of this Court, the Debtors shall continue to carry on business in a manner consistent with the preservation of their business (the “**Business**”) and Property. The Debtors are authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, advisors, counsel and such other persons (collectively “**Assistants**”) currently retained or employed by them, with liberty to retain such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

6. **THIS COURT ORDERS** that, subject to the terms of the DIP Agreement (as defined below) the Debtors shall be entitled to continue to utilize the central cash

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management system currently in place as described in the Initial Van Tonder Affidavit or replace it with another substantially similar central cash management system (the “**Cash Management System**”) and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Debtors of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Debtors, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under any Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

7. ~~7.~~ **THIS COURT ORDERS** that, notwithstanding anything else in this Order: ~~(a)~~ the Canadian Imperial Bank of Commerce (“**CIBC**”) and The Bank of Nova Scotia (“**BNS**”), each in their capacity as issuer of any letter of credit where BIMC is principal shall be permitted to set-off or otherwise enforce against any cash or Guaranteed Investment Certificate held in an account with CIBC or BNS as collateral (“**Cash Collateral**”) for the payment obligations owing to CIBC or BNS in respect of any such letter of credit (the “**LC Payment Obligations**”), or, in the case of BNS, for the payment obligations owing to BNS in respect of any corporate credit cards issued by BNS to or for the benefit of BIMC (collectively, the “**Corporate Card Obligations**”), (b) each of CIBC, BNS and the Bank of Montreal (“**BMO**”) shall be permitted to deliver any notice or demand to BIMC that it

deems necessary for the sole purpose of drawing upon any demand bond or guarantee or other third party credit support or security provided to CIBC, BNS or BMO to secure any LC Payment Obligations, or, in the case of BNS, any Corporate Card Obligations, and (c) CIBC and BNS shall be an unaffected creditor under any Plan with respect to any LC Payment Obligations, or, in the case of BNS, any Corporate Card Obligations.

8. ~~8.~~ **THIS COURT ORDERS** that, subject to the terms of the DIP Agreement, the Debtors shall be entitled but not required to pay the following expenses whether incurred prior to, on, or after the date of the Initial Order:

- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay, long-term incentive plan payments, short-term incentive plan payments payable on or after the date of the Initial Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements;
- (b) the fees and disbursements of any Assistants retained or employed by the Debtors in respect of these proceedings, at their standard rates and charges; and
- (c) with the consent of the Monitor, amounts owing for goods or services supplied to the Debtors prior to the date of the Initial Order by third-party suppliers or service providers, if, in the opinion of the Debtors such supplier or service provider is critical to the Business or the Property.

9. ~~9.~~ **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, and subject to the terms of the DIP Agreement, the Debtors shall be entitled but not required to pay all reasonable expenses incurred by the Debtors in carrying on the Business in the ordinary course after the date of the Initial Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and
- (b) payment for goods or services actually supplied to the Debtors following the date of the Initial Order.

10. ~~10.~~ **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the Debtors shall pay all amounts due and payable after the date of the Initial Order to the Qikiqtani Inuit Association in accordance with the Benefits Agreement, other than such amounts which are subject to a bona fide dispute with respect to payment between the Debtors and the Qikiqtani Inuit Association.

11. ~~11.~~ **THIS COURT ORDERS** that the Debtors shall remit, in accordance with legal requirements, or pay:

- (a) ~~(a)~~ any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without

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(b) limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Northern Employee Benefits Services Pension Plan, and (iv) income taxes, and all other amounts related to such deductions or employee wages payable for periods following the Initial Filing Date pursuant to the *Income Tax Act*, the *Canada Pension Plan*, the *Employment Insurance Act* or similar provincial statutes;

(c) ~~(b)~~ all goods and services or other applicable sales taxes (collectively, “**Sales Taxes**”) required to be remitted by the Debtors in connection with the sale of goods and services by the Debtors, but only where such Sales Taxes are accrued or collected after the date of the Initial Order, or where such Sales Taxes were accrued or collected prior to the date of the Initial Order but not required to be remitted until on or after the date of the Initial Order; and

(d) ~~(c)~~ any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Debtors.

12. ~~42.~~ **THIS COURT ORDERS** that until a real property lease is disclaimed in accordance with the CCAA, the Debtors shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under

the lease) or as otherwise may be negotiated between the Debtors and the landlord from time to time ("**Rent**"), for the period commencing from and including the date of the Initial Order, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of the Initial Order shall also be paid.

13. **THIS COURT ORDERS** that, except as specifically permitted herein, the Debtors are hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Debtors to any of their creditors as of the date of the Initial Order; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of their Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

14. **THIS COURT ORDERS** that the Debtors shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the DIP Agreement, have the right to:

- (a) ~~(a)~~ permanently or temporarily cease, downsize or shut down any of their business or operations, and to dispose of redundant or non-material assets not exceeding US\$1,000,000 in any one transaction or US\$5,000,000 in the aggregate;

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- (b) terminate the employment of such of their employees or temporarily lay off such of their employees as they deem appropriate, subject to the terms of the Benefits Agreement with respect to any Inuit employees; and
- (c) pursue all avenues of refinancing of their Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing;

all of the foregoing to permit the Debtors to proceed with an orderly restructuring of the Business (the “**Restructuring**”).

15. ~~15.~~ **THIS COURT ORDERS** that the Debtors shall provide each of the relevant landlords with notice of the Debtors’ intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Debtors’ entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Debtors, or by further Order of this Court upon application by the Applicants on at least two (2) days’ notice to such landlord and any such secured creditors. If the Debtors disclaim the lease governing such leased premises in accordance with Section 32 of the CCAA, they shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer of the lease shall be without prejudice to the Debtors’ claim to the fixtures in dispute.

16. **THIS COURT ORDERS** that if a notice of disclaimer is delivered pursuant to Section 32 of the CCAA, then during the notice period prior to the effective time of the disclaimer, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Debtors and the Monitor 24 hours' prior written notice, and at the effective time of the disclaimer, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Debtors in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

17. **THIS COURT ORDERS** that until and including August 28, 2026, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Debtors or the Monitor or their respective employees, advisors or representatives acting in such capacities, or affecting the Business or the Property, except with the written consent of the Debtors and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Debtors or their employees, advisors and representatives acting in such capacities or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

18. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the

foregoing, collectively being “**Persons**” and each being a “**Person**”) against or in respect of the Debtors or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Debtors and the Monitor, or leave of this Court, provided that nothing in this Order shall (a) empower the Debtors to carry on any business which the Debtors are not lawfully entitled to carry on, (b) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (c) prevent the filing of any registration to preserve or perfect a security interest, or (d) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

19. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, suspend, alter, accelerate, interfere with, repudiate, rescind, terminate or cease to perform any right, renewal right, contract, agreement, lease, sublease, licence, authorization or permit in favour of or held by the Debtors, except with the written consent of the Debtors and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

20. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Debtors or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Business or the Debtors, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Debtors, and that the Debtors shall be entitled to the continued use of their current premises, telephone

numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of the Initial Order are paid by the Debtors in accordance with normal payment practices of the Debtors or such other practices as may be agreed upon by the supplier or service provider and each of the Debtors and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

21. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or licensed property or other valuable consideration provided on or after the date of the Initial Order, nor shall any Person be under any obligation on or after the date of the Initial Order to advance or re-advance any monies or otherwise extend any credit to the Debtors. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST THE D&O PARTIES

22. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Debtors or against any member of the Operating Committee to the extent such member is or was directly or indirectly exercising the powers of the directors of any of the Debtors (collectively with the directors and officers, the "D&O Parties") with respect to any claim against the D&O Parties that arose before the date hereof and that relates to any obligations of the Debtors whereby any of the D&O Parties are alleged under any law to be liable in their capacity

as directors or officers, or in the case of members of the Operating Committee, in their capacity as persons exercising the powers of directors, directly or indirectly, for the payment or performance of such obligations, until a Plan in respect of the Debtors, if one is filed, is sanctioned by this Court or is refused by the creditors of the Debtors or this Court.

D&O PARTIES' INDEMNIFICATION AND CHARGE

23. **THIS COURT ORDERS** that the Debtors shall indemnify the D&O Parties against obligations and liabilities that they may incur as directors or officers, or in the case of members of the Operating Committee, in their capacity as persons exercising the powers of directors of the Debtors, directly or indirectly, after the commencement of the within proceedings, including with respect to employee vacation pay which may have accrued prior to the commencement of these proceedings but which may become due and payable after the commencement of these proceedings, except to the extent that, with respect to any such D&O Party, the obligation or liability was incurred as a result of the D&O Party's gross negligence or wilful misconduct.

24. **THIS COURT ORDERS** that the D&O Parties shall be entitled to the benefit of and are hereby granted a charge (the "**D&O Charge**") on the Property, which charge shall not exceed an aggregate amount of US\$20.4 million, as security for the indemnity provided in paragraph 23 of this Order. The D&O Charge shall have the priority set out in paragraphs 42 and 44 herein.

25. **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or

claim the benefit of the D&O Charge, and (b) D&O Parties shall only be entitled to the benefit of the D&O Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 23 of this Order.

APPOINTMENT OF MONITOR

26. **THIS COURT ORDERS** that FTI is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Debtors with the powers and obligations set out in the CCAA or set forth herein and that the Debtors and their shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Debtors pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

27. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Debtors' receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) assist the Debtors, to the extent required by the Debtors, in their dissemination to the DIP Lender (as defined below) of financial and other

information in accordance with the DIP Agreement, or as may otherwise be agreed between the Debtors and the DIP Lender, which may be used in these proceedings including reporting on a basis to be agreed with the DIP Lender;

- (d) advise the Debtors in their preparation of the Debtors' cash flow statements and the reporting required by the DIP Lender under the DIP Agreement, which information shall be reviewed with the Monitor and delivered to the DIP Lender in accordance with the DIP Agreement;
- (e) advise the Debtors in their development of the Plan and any amendments to the Plan;
- (f) assist the Debtors, to the extent required by the Debtors, with the holding and administering of creditors' and shareholders' meetings for voting on the Plan;
- (g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Debtors, to the extent that is necessary to adequately assess the Debtors' business and financial affairs or to perform its duties arising under this Order;
- (h) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and

- (i) ~~(i)~~ perform such other duties as are required by this Order or by this Court from time to time.

28. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

29. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act, 1999*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act*, the *Nunavut Waters and Nunavut Surface Rights Tribunal Act*, the *Fisheries Act*, the *Nunavut Planning and Project Assessment Act* and the *Nunavut Safety Act*, and regulations thereunder (collectively, the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by any applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of

the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

30. **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Debtors, including without limitation, the DIP Lender, with information provided by the Debtors in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Debtors is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Debtors may agree.

31. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, neither the Monitor nor its respective employees, advisors and representatives acting in such capacities shall incur any liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

ADMINISTRATION CHARGE

32. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Debtors shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to, on or subsequent to the date of the Initial Order, by the Debtors as part of the costs of these proceedings. The Debtors

are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Debtors on a bi-weekly basis and, in addition, the Debtors are hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to the Debtors, reasonable retainers nunc pro tunc to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

33. **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

34. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, and the Debtors' counsel shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of US\$5 million, as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the date of the Initial Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 42 and 44 herein.

DIP FINANCING

35. **THIS COURT ORDERS** that the Debtors are hereby authorized and empowered to obtain and borrow or guarantee, as applicable, a senior secured, super-priority, debtor-in-possession, interim, revolving credit facility under a DIP Facility Loan Agreement dated as of June 3rd, 2026 (as may be amended, restated, supplemented and/or modified from time to time) (the "**DIP Agreement**") from ~~His Majesty in Right of Canada, as represented~~

Brigade Capital Management, LP, Polen Capital Credit, LLC. Opps XII BLIM Holdings, L.P. and
Hartree Partners, LP (such lenders and, if a DIP Agent (as defined in the DIP Agreement) is
appointed

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by ~~Export Development Canada~~ (them pursuant to the DIP Agreement, the DIP Agent, collectively, the “DIP Lender”), in order to finance the Debtors’ working capital requirements, other general corporate purposes and capital expenditures, and other amounts permitted under the DIP Agreement, provided that borrowings under such credit facility shall not exceed the maximum principal amount of US\$ ~~400 million in a Finished Product Funding Scenario or US\$475 million in a Finished Product Non-Funding Scenario (each as defined in the DIP Agreement), in each case~~ 300 million, unless permitted by further Order of this Court.

36. **THIS COURT ORDERS** that such credit facility shall be on the terms and subject to the conditions set forth in the DIP Agreement attached as Exhibit “I” to the Third Van Tonder Affidavit.

37. **THIS COURT ORDERS** that the Debtors are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the “**Definitive Documents**”), as are contemplated by the DIP Agreement or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Debtors are hereby authorized and directed to pay and perform all of their obligations to the DIP Lender under and pursuant to the DIP Agreement and the Definitive Documents (collectively, the “**DIP Obligations**”) as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

38. **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the “**DIP Charge**”) on the Property to secure all obligations then outstanding and owing to the DIP Lender under the DIP Agreement or the Definitive

Documents, in each case arising on or after the date of this Order. The DIP Charge shall not secure any obligation that exists before the date of the Initial Order, and shall have the priority set out in paragraphs 42 and 44 herein.

39. ~~39.~~ **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Charge or any of the Definitive Documents;
- (b) upon the occurrence of an event of default under the DIP Agreement, which is continuing on the date which is 5 business days after the Debtors have received written notice of such event of default from the DIP Lender, the DIP Lender may in its discretion, exercise any and all of its rights and remedies against the Debtors or the Property under or pursuant to the DIP Agreement, Definitive Documents and the DIP Charge, including without limitation, to cease making advances to the Debtors and set off and/or consolidate any amounts owing by the DIP Lender to the Debtors against the obligations of the Debtors to the DIP Lender under the DIP Agreement, the Definitive Documents or the DIP Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Debtors and for the appointment of a trustee in bankruptcy of the Debtors; and

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(c) ~~(e)~~ the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Debtors or the Property.

40. **THIS COURT ORDERS AND DECLARES** that, unless otherwise agreed by the DIP Lender, the DIP Lender shall be treated as unaffected in any Plan filed by the Debtors under the CCAA, or any proposal filed by the Debtors under the Bankruptcy and Insolvency Act (Canada) (the “**BIA**”), with respect to any advances made pursuant to the DIP Agreement, other than after payment in full in cash to the DIP Lender of all DIP Obligations owing to it on or before the date such Plan is implemented.

41. **THIS COURT ORDERS** that this Order is subject to provisional execution and that if any of the provisions of this Order in connection with the DIP Agreement, the Definitive Documents or the DIP Charge shall subsequently be stayed, modified, varied, amended, reversed or vacated in whole or in part (collectively, a “**Variation**”), such Variation shall not in any way impair, limit or lessen the priority, protections, rights or remedies of the DIP Lender, whether under this Order (as made prior to the Variation), under the DIP Agreement or the Definitive Documents with respect to any advances made or obligations incurred prior to the DIP Lender being given notice of the Variation, and the DIP Lender shall be entitled to rely on this Order as issued (including, without limitation, the DIP Charge) for all advances so made and other obligations set out in the DIP Agreement and the Definitive Documents.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

42. **THIS COURT ORDERS** that the priorities of the Administration Charge, the D&O Charge, and the DIP Charge (collectively, the “**Charges**”) as among them, shall be as follows:

First – the Administration Charge (to the maximum amount of US\$5 million);

Second – the D&O Charge (to the maximum amount of US\$20.4 million); and

Third – the DIP Charge (to the maximum amount of the DIP Obligations then outstanding).

43. **THIS COURT ORDERS** that the filing, registration or perfection of the Charges shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

44. **THIS COURT ORDERS** that each of the Charges shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, “**Encumbrances**”) in favour of any Person, other than the rights of CIBC or BNS in respect of any Cash Collateral in respect of any LC Payment Obligations, or, in the case of BNS, any Corporate Card Obligations.

45. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Debtors shall not grant any Encumbrances over

any Property that rank in priority to, or ~~pari~~passu with, any of the Charges or the Cash Collateral, unless the Debtors also obtain the prior written consent: (a) in the case of the Charges, the Monitor and the beneficiaries of the affected Charges, and (b) in the case of the Cash Collateral, the Monitor, the beneficiaries of the affected Charges and CIBC and BNS, or, in each case, further Order of this Court.

46. ~~46.~~ **THIS COURT ORDERS** that the Charges shall not be rendered invalid or unenforceable and the rights and remedies of the chargees thereunder (the “**Chargees**”) shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an “**Agreement**”) which binds the Debtors, and notwithstanding any provision to the contrary in any Agreement:

- (a) ~~(a)~~ neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the DIP Agreement or the Definitive Documents shall create or be deemed to constitute a breach by any of the Debtors of any Agreement to which it is a party;

- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Debtors entering into the DIP Agreement or the Definitive Documents, creation of the Charges or the execution, delivery or performance of the DIP Agreement or the Definitive Documents; and
- (c) the payments made by the Debtors pursuant to this Order or the DIP Agreement or the Definitive Documents and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

47. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Debtors' interest in such real property leases.

SERVICE AND NOTICE

48. **THIS COURT ORDERS** that the Monitor shall (a) without delay, publish in the *Globe and Mail* (National Edition), a notice containing the information prescribed under the CCAA, (b) within five days after the date of the Initial Order, (i) make this Order publicly available in the manner prescribed under the CCAA, (ii) send, or cause to be sent, in the prescribed manner, a notice to every known creditor who has a claim against the Debtors of more than \$1,000, and (iii) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the

prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

49. **THIS COURT ORDERS** that the Monitor shall create, maintain and update as necessary a list of all Persons appearing in person or by counsel in this proceeding (the “**Service List**”). The Monitor shall post the Service List, as may be updated from time to time, on the Monitor’s website as part of the public materials to be recorded thereon in relation to this proceeding. Notwithstanding the foregoing, the Monitor shall have no liability in respect of the accuracy of or the timeliness of making any changes to the Service List.

50. **THIS COURT ORDERS** that the E-Service Guide of the Commercial List (the “**Guide**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Guide (which can be found on the Commercial List website at ~~<https://www.ontariocourts.ca/scj/practice/regional-practice>~~

~~[directions/eservice-commercial/](https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-commercial/)~~

<https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-commercial/>)

shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 13 of the Guide, service of documents in accordance with the Guide will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Guide with the following URL: <https://cfcanada.fticonsulting.com/baffinland>.

51. **THIS COURT ORDERS** that if the service, distribution or notice of documents in accordance with the Guide or the CCAA and the regulations thereunder is not practicable,

the Debtors, the Monitor and their respective counsel are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding copies thereof by prepaid ordinary mail, courier, personal delivery, facsimile transmission or electronic message to the Debtors' creditors or other interested parties at their respective addresses (including e-mail addresses) as last shown in the books and records of the Debtors and that any such service, distribution or notice shall be deemed to be received on the earlier of (a) the date of forwarding thereof, if sent by electronic message on or prior to 5:00 p.m. (Eastern Time), (b) the next business day following the date of forwarding thereof, if sent by courier, personal delivery, facsimile transmission or electronic message sent after 5:00 p.m. (Eastern Time), or (c) on the business day following the date of forwarding thereof, if sent by ordinary mail.

52. **THIS COURT ORDERS** that the Debtors, the Monitor and their respective counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding copies thereof by electronic message (including by [email-e-mail](#)) to the Debtors' creditors or other interested parties and their advisors, as applicable. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of legal or judicial obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations* (SOR/2013-221).

SEALING

53. **THIS COURT ORDERS** that Confidential Exhibits "D" and "G" to the Third Van Tonder Affidavit, and Confidential Appendix "•" to the Second Report are hereby sealed pending further Order of the Court and shall not form part of the public record.

ADJOURNMENT AND LITIGATION SCHEDULE

54. **THIS COURT ORDERS** that Debtors' motion to approve the debtor-in-possession credit facility with His Majesty in Right of Canada, as represented by Export Development Canada is adjourned to July 7, 2026. Any party wishing to participate in the hearing will comply with the litigation schedule attached hereto as Schedule "A".

GENERAL

55. ~~54.~~ **THIS COURT ORDERS** that the Debtors or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

56. ~~55.~~ **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Debtors, the Business or the Property.

57. ~~56.~~ **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, 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 to 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.

58. ~~57.~~ **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.

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59. ~~58.~~ **THIS COURT ORDERS** that any interested party (including the Debtors and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

60. ~~59.~~ **THIS COURT ORDERS** that this Order and all of its provisions are effective as of _____
12:01 a.m. Eastern Standard/Daylight Time on the date hereof and is enforceable without the need for entry and filing.

Schedule A

CCAA – DIP Financing Litigation Schedule

<u>Step</u>	<u>Date</u>
<u>Responding and Cross Motion Record and Production Requests</u>	<u>June 11</u>
<u>Debtors' Reply Record and Production Requests Responses</u>	<u>June 17</u>
<u>Interrogatories to Monitor</u>	<u>June 22</u>
<u>Examination, Cross-Examinations</u>	<u>Week of June 22</u>
<u>Monitor Responses to Interrogatories</u>	<u>June 26</u>
<u>Monitor's Report</u>	<u>June 29</u>
<u>Debtors' and supporting parties' facta</u>	<u>June 30</u>
<u>Responding and Cross-Motion parties' facta</u>	<u>July 3</u>
<u>Debtors' Reply factum</u>	<u>July 6</u>
<u>Hearing (half day)</u>	<u>July 7 or after</u>

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IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF NUNAVUT IRON ORE, INC., BAFFINLAND IRON MINES CORPORATION, and 12334992 CANADA INC.

Court File No. CL-26-00000219-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT
TORONTO

SECOND AMENDED AND RESTATED INITIAL ORDER

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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
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LIST)~~

~~PROCEEDING-
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IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF NUNAVUT IRON ORE, INC.,
BAFFINLAND IRON MINES CORPORATION, and 12334992 CANADA INC.

Court File No. CL-26-00000219-0000

ONTARIO
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TORONTO

JOINT CROSS-MOTION RECORD
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