Court File No. CL-26-00000219-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

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

Applicants

MOTION RECORD
(Omnibus Order: Returnable August 27, 2026)

August 23, 2026

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Tab 1

Court File No. CL-26-00000219-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

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

Applicants

NOTICE OF MOTION
(Omnibus Order)

The Applicants, Nunavut Iron Ore, Inc., Baffinland Iron Mines Corporation, and 12334992 Canada Inc., will make a motion before the Ontario Superior Court of Justice (Commercial List) on Thursday, August 27, 2026 at 9:30 AM, or as soon thereafter as the motion can be heard.

PROPOSED METHOD OF HEARING:

The motion is to be heard judicial videoconference via Zoom at Toronto, Ontario, the connection details of which appear below:

Join Zoom Meeting: https://ca01web.zoom.us/j/67927063702?pwd=c1Z2eFN3NXB1N0xOK0lYSWtCL2ZBZz09%27 Meeting ID: 679 2706 3702 Password: 007287

THE MOTION IS FOR:

1. An Order (the "**Omnibus Order**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), substantially in the form of the draft order included at Tab 3 of the Applicants' Motion Record, among other things:

(a) approving, *nunc pro tunc,* the engagement letter dated August 13, 2026 (together with the indemnity agreement attached thereto, the "**Engagement Letter**") entered into by the CRO on behalf of Nunavut Iron Ore, Inc. and Baffinland Iron Mines Corporation, with Morgan Stanley Canada Limited (the "**Financial Advisor**" or "**Morgan Stanley**"), pursuant to which Morgan Stanley has been engaged as the Debtors' exclusive financial advisor to provide financial advisory services in connection with a sale and investment solicitation process ("**SISP**");

(b) granting charges over property of the Debtors as security for the compensation of the Financial Advisor and amending the priority of the Court-ordered charges granted in this proceeding;

(c) sealing certain commercially sensitive aspects of the Engagement Letter until further Order of this Court; and

(d) extending the stay of proceedings against the Debtors (the "**Stay**") to December 11, 2026.

THE GROUNDS FOR THE MOTION ARE:[1]

Background

2. The Debtors are a group of affiliated entities that operate the Mary River mine (the "**Mine**"), one of the highest-grade iron ore deposits in the world, located in the Qikiqtani Region of Nunavut on Baffin Island. Day-to-day operations are carried out by Baffinland Iron Mines LP, through its general partner Baffinland Iron Mines Corporation.

3. On May 15, 2026, the Applicants obtained protection under the CCAA pursuant to an initial order, which was amended and restated on May 25, 2026 and again on June 11, 2026 (as amended by Order of this Court dated July 29, 2026, the "**Second ARIO**"). The Second ARIO, among other things, extended the Stay until August 28, 2026.

4. At a hearing on June 30, 2026, the Court approved a settlement resolving a dispute among the Debtors, Export Development Canada (the "**DIP Lender**"), and Oaktree Capital Management, L.P., Hartree Partners, LP, Polen Capital Credit, LLC and Brigade Capital Management LP (collectively, the "**Senior Secured Lenders**") concerning the Debtors' debtor-in-possession financing (the "**DIP Resolution**").

5. In connection with the DIP Resolution, the Debtors, the DIP Lender and the Senior Secured Lenders agreed that a Chief Restructuring Officer and a transaction advisor shall be selected from among candidates identified in a side letter filed with this Court on a confidential, sealed basis.

---

[1] Capitalized terms used and not otherwise defined herein have the meanings given to them in the Affidavit of William E. Aziz sworn August 23, 2026, contained at Tab 2 of the Applicants' Motion Record.

6. With respect to the Chief Restructuring Officer, the party ultimately selected through the process conducted by the Monitor pursuant to the DIP Resolution was BlueTree Advisors Inc. (in such capacity, the "**CRO**"). On July 29, 2026, the Debtors sought and obtained the CRO Appointment Order confirming the appointment of BlueTree Advisors Inc. as the CRO.

7. The parties to the DIP Resolution have now selected the transaction advisor to work with the CRO through the SISP process being conducted under the oversight and supervision of the Monitor. On August 13, 2026, the CRO on behalf of Nunavut Iron Ore, Inc. and Baffinland Iron Mines Corporation entered into an engagement letter with Morgan Stanley to act as the Financial Advisor, which the Debtors seek approval of as part of this motion (previously defined as the "**Engagement Letter**").

The Engagement of the Financial Advisor

8. Pursuant to the Engagement Letter, the Financial Advisor will perform financial advisory services, including: advising on the draft form of SISP documentation; preparing, in collaboration with the Debtors, a confidential information memorandum and related materials; identifying and contacting prospective purchasers, and soliciting and assisting in evaluating indications of interest and proposals among prospective purchasers; coordinating potential purchasers' due diligence; and assisting in structuring and negotiating the terms of a transaction.

9. The Debtors' engagement of the Financial Advisor is in the best interests of the Debtors and their stakeholders. The Financial Advisor will assist with the development and advancement of the SISP and has extensive experience in restructuring, mergers

and acquisitions, and investment banking. Further, the Financial Advisor has previously assisted in the sale of significant assets in the iron ore industry.

The Financial Advisor Charges

10. As part of the relief on this motion, the Debtors seek two charges in favour of the Financial Advisor (collectively, the "**Financial Advisor Charges**"):

(a) a charge (the "**Financial Advisor Fee Charge**") over the Debtors' property in the maximum amount of the aggregate of the Advisory Fee, the Announcement Fee and the Expenses. As set out in the Omnibus Order, the Financial Advisor Fee Charge shall rank *pari passu* with the Administration Charge and the CRO Fee Charge; and

(b) a charge (the "**Financial Advisor Transaction Fee Charge**") over the Debtors' property in the maximum amount of the Transaction Fee or the Termination Fee (each as defined in the Engagement Letter), as applicable. As set out in the Omnibus Order, this charge shall rank subordinate to the Administration Charge, the CRO Fee Charge, the D&O Charge and the DIP Charge granted in the CCAA proceeding and in priority to the CRO Tiered Success Fee Charge and all other Encumbrances, as security for all amounts due to be paid to the Financial Advisor.

Sealing the Engagement Letter

11. The Engagement Letter contains commercially sensitive and confidential information. The Debtors, in consultation with the Financial Advisor and the Monitor, seek approval to redact from the public record certain commercially sensitive aspects of the

Engagement Letter, including the quantum of the fees payable to the Financial Advisor. Because certain of the fees payable to the Financial Advisor are tied to the value of a potential transaction under a SISP, disclosing the fees publicly could negatively impact the SISP. A potential bidder may use the fee information to estimate the Financial Advisor's views concerning the value of the Debtors' business, and seek to submit strategic bids based on those assessments of value. Moreover, the disclosure of the fee arrangements on the public record could prejudice the Financial Advisor's competitive position by revealing its pricing structure to competitors and prospective clients. Additionally, the terms of the Engagement Letter require that the fees payable to the Financial Advisor be redacted from the public record.

12. The Debtors, the Monitor, EDC and the Secured Lenders (who were actively involved in the negotiation of the fees payable to the Financial Advisor) have all had confidential access to the unredacted Engagement Letter. As a result, these parties have had an opportunity to assess the reasonableness of the fee arrangements. In the circumstances, sealing the fee information from the public record is appropriate and consistent with the approach taken in other CCAA proceedings.

Extension of the Stay

13. The Stay granted by the Second ARIO expires on August 28, 2026. Pursuant to the Omnibus Order, the Debtors seek an extension of the Stay until and including December 11, 2026.

14. The proposed extension of the Stay will, among other things:

(a) facilitate the continued stability of the Debtors' business and operations;

(b) allow the Debtors, the CRO, the Financial Advisor, and the Monitor to finalize the SISP and return to Court for its approval; and

(c) permit the Debtors, with the Monitor, to complete the offtake solicitation process in advance of the expiry of the Debtors' current offtake arrangements, and to continue to address other operational matters.

15. The Debtors are forecast to have sufficient liquidity to fund their obligations and the costs of the CCAA proceeding through the end of the proposed extension of the Stay.

OTHER GROUNDS FOR THE MOTION:

16. The provisions of the CCAA, including sections 11, 11.02(2), 11.02(3), 11.52, and the statutory, inherent and equitable jurisdiction of this Court;

17. Rules 1.03, 1.04, 1.05, 2.01, 2.03, 3.02, 16 and 37 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended, and section 137(2) of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended; and

18. Such further and other grounds as counsel may advise and this Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

19. The Affidavit of William E. Aziz sworn August 23, 2026 and the Exhibits attached thereto;

20. The Fourth Report of the Monitor, to be filed; and

21. Such further and other evidence as counsel may advise and this Court may permit.

August 23, 2026

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

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

Applicants

Court File No. CL-26-00000219-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding Commenced at Toronto

NOTICE OF MOTION
(Omnibus Order)

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Tab 2

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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

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

Applicants

AFFIDAVIT OF WILLIAM E. AZIZ
(sworn August 23, 2026)

I, WILLIAM E. AZIZ, of the Town of Oakville, in the Province of Ontario, **MAKE OATH AND SAY**:

1. I am the President of BlueTree Advisors Inc., ("**BlueTree Advisors**"), which has been retained by the Debtors[1] to provide my services as their Chief Restructuring Officer ("**CRO**"). My appointment as the CRO of the Debtors was approved by this Court pursuant to an order dated July 29, 2026 (the "**CRO Appointment Order**"), a copy of which is attached as **Exhibit "A"** to this Affidavit.

2. My mandate as the CRO of the Debtors (the "**CRO Mandate**") is attached as Schedule "A" to the engagement letter dated July 23, 2026 between BlueTree Advisors Inc. and the Debtors (the "**CRO Engagement Letter**"). Pursuant to the CRO Appointment Order, this Court approved the CRO Engagement Letter, including the CRO Mandate. A copy of the CRO Mandate is attached as **Exhibit "B"** to this Affidavit.

---

1 In this Affidavit, the "**Debtors**" refers to the Applicants, together with Baffinland Iron Mines LP.

3. Since my appointment on July 29, 2026, I have been actively involved in matters arising in connection with the CCAA proceeding involving the Debtors and have gained direct knowledge of the Debtors' business, operations, financial position, management personnel, and ongoing restructuring efforts. As such, I have personal knowledge of the matters to which I depose in this Affidavit. Where I do not possess personal knowledge, I have stated the source of my knowledge and believe it to be true.

4. I swear this Affidavit in support of the Applicants' motion pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") for an order (the "**Omnibus Order**"), substantially in the form of the draft order included at Tab 3 of the Applicants' Motion Record, among other things:

(a) approving, *nunc pro tunc*, the engagement letter dated August 13, 2026 (together with the indemnity agreement attached thereto, the "**Engagement Letter**") entered into by the CRO on behalf of Nunavut Iron Ore, Inc. and Baffinland Iron Mines Corporation, with Morgan Stanley Canada Limited (the "**Financial Advisor**" or "**Morgan Stanley**"), pursuant to which Morgan Stanley has been engaged as the Debtors' exclusive financial advisor to provide financial advisory services in connection with a sale and investment solicitation process ("**SISP**");

(b) granting charges over property of the Debtors as security for the compensation of the Financial Advisor and amending the priority of the Court-ordered charges granted in this proceeding;

(c) sealing certain commercially sensitive aspects of the Engagement Letter until further Order of this Court; and

(d) extending the stay of proceedings against the Debtors (the "**Stay**") to December 11, 2026.

5. All capitalized terms not otherwise defined in this Affidavit have the meanings given to them in the Second ARIO (as defined below) or the Affidavit of Celeste van Tonder sworn May 14, 2026 (the "**First van Tonder Affidavit**"). For ease of reference, a copy of the First van Tonder Affidavit, without exhibits, is attached as **Exhibit "C"** to this Affidavit.

PART I – BACKGROUND AND OVERVIEW

6. As described in the First van Tonder Affidavit and prior materials filed in this proceeding, the Debtors are a group of affiliated entities that operate the Mary River mine (the "**Mine**"), one of the highest-grade iron ore deposits in the world, located in the Qikiqtani Region of Nunavut on Baffin Island. Day-to-day operations are carried out by Baffinland Iron Mines LP, through its general partner Baffinland Iron Mines Corporation.

7. For the reasons detailed in the First van Tonder Affidavit, on May 15, 2026, the Applicants obtained protection under the CCAA pursuant to an initial order, which was amended and restated on May 25, 2026 and again on June 11, 2026 (as amended by Order of this Court dated July 29, 2026, the "**Second ARIO**"). The Second ARIO, among other things, extended the Stay until August 28, 2026.

8. To date, this CCAA proceeding has focused on stabilizing the Debtors' operations, securing the liquidity required to maintain the Mine, and preparing for, funding, and executing on the delivery of fuel and other supplies during the critical sealift window (the "**Sealift**") to allow for the continued operation of the Mine after the annual shipping window closes this fall.

9. At a hearing on June 30, 2026, the Court approved a settlement resolving a dispute among the Debtors, Export Development Canada (the "**DIP Lender**"), and Oaktree Capital Management,

L.P., Hartree Partners, LP, Polen Capital Credit, LLC and Brigade Capital Management LP (collectively, the "**Senior Secured Lenders**") concerning the Debtors' debtor-in-possession financing (the "**DIP Resolution**"). The DIP Resolution is documented in a settlement agreement attached as **Exhibit "D"** to this Affidavit, and a related side letter (the "**Side Letter**") that I understand was filed with this Court on a confidential, sealed basis.

10. In connection with the DIP Resolution, the Debtors, the DIP Lender and the Senior Secured Lenders agreed that a Chief Restructuring Officer and a transaction advisor shall be selected from among candidates identified in the Side Letter.

11. With respect to the Chief Restructuring Officer, the party ultimately selected through the process conducted by the Monitor pursuant to the DIP Resolution was BlueTree Advisors. At the most recent attendance before this Court on July 29, 2026, the Debtors sought and obtained the CRO Appointment Order confirming the appointment of BlueTree Advisors and my services as the CRO.

12. At the time the Debtors sought and obtained the CRO Appointment Order, a transaction advisor had not yet been selected. The parties to the DIP Resolution have now selected the transaction advisor to work with the CRO through the SISP process being conducted under the oversight and supervision of the Monitor. On August 13, 2026, the CRO on behalf of Nunavut Iron Ore, Inc. and Baffinland Iron Mines Corporation entered into an engagement letter with Morgan Stanley to act as the Financial Advisor, which the Debtors seek approval of as part of this motion (previously defined as the "**Engagement Letter**"). Since its engagement, the Financial Advisor has been assisting the Debtors in the development of a SISP, including reviewing past efforts of the Company and documents that will be important to the SISP, and otherwise working to advance the sale process.

13. The relief sought on this motion is intended to support the next phase of the restructuring. The relief is necessary to allow the Debtors, with the assistance of the CRO, the Monitor and the Financial Advisor, to continue operating in the ordinary course with the benefit of the CCAA stay of proceedings, advance the development of the SISP, and return to Court for further relief as required, including approval of the SISP.

14. The Debtors have sufficient liquidity to fund operations and the costs of this CCAA proceeding through the proposed extension of the Stay.

PART II – ACTIVITIES SINCE THE CRO APPOINTMENT ORDER

A. Operational Matters

15. Since the CRO Appointment Order was granted on July 29, 2026, I have met in person or virtually with: (a) numerous members of management of the Debtors; (b) with each of the members of the operating committee ("**OpCom**") of the Debtors; (c) representatives of the Qikiqtani Inuit Association ("**QIA**") and its counsel; (d) representatives of the Debtors' secured lenders and their advisors; (e) the Monitor and its counsel; (f) counsel to the Debtors; and (g) other stakeholders and regulators. In addition to numerous ongoing discussions with stakeholders, on August 11 and 12, 2026, I travelled to Baffin Island with representatives of the Monitor, the Debtors and the Financial Advisor to participate in a site visit to the Mine and related facilities that was organized by the Debtors.

16. Since my appointment, I have observed that the Debtors have acted in good faith and with due diligence to advance their restructuring objectives. In particular, the Debtors have, in coordination with the Monitor and the CRO:

(a) actively assisted me in getting up to speed on the business of the Debtors and the CCAA proceeding;

(b) continued to engage with their stakeholders, including the QIA, regarding matters relevant to the Debtors' operations and restructuring;

(c) negotiated the DIP Amendment (as defined below) with the DIP Lender, as described in greater detail below;

(d) entered into the Engagement Letter with Morgan Stanley;

(e) engaged in the development of the SISP, along with the Monitor, the Financial Advisor and the CRO;

(f) worked with the Monitor on implementing an offtake solicitation process in advance of the expiry of the Debtors' current offtake arrangements; and

(g) as described above, arranged for the CRO to attend a site visit to the Mine and Port on August 11 and 12, 2026, with representatives of the Financial Advisor, the Monitor, and the Debtors, in preparation for the next phase of the restructuring.

17. While not an exhaustive list of the activities that have taken place since my appointment on July 29, 2026, the foregoing list summarizes key developments over the past several weeks that have occupied a considerable amount of time and resources.

B. The DIP Amendment

18. The DIP Facility required the Debtors to obtain a court order approving the SISP within 60 days following the issuance of the Second ARIO.

19. Given the vigorous opposition to the DIP Facility that took longer than anticipated to resolve and the time required to advance the necessary preparations for the SISP, including the engagement of the Financial Advisor, the Debtors were not in a position to obtain an order approving the SISP by the August 10, 2026 deadline.

20. As a result, the Debtors and the DIP Lender entered into the first amendment and waiver to DIP facility loan agreement dated as of August 11, 2026 (the "**DIP Amendment**"), a copy of which is attached to my Affidavit as **Exhibit "E"**. The DIP Amendment waives any event of default arising solely from the failure to obtain the SISP Order by August 10, provided that the Debtors comply with certain milestones set out in the DIP Amendment. As of the date of this Affidavit, the Debtors have complied with all of the new milestones set out in the DIP Amendment that have come due and are working diligently to comply with the remaining milestones.

21. One of the milestones contemplates the Debtors obtaining the SISP Order by August 27, 2026, which is not practical because, as described below, the CRO and the Monitor are continuing to engage with the Debtors' stakeholders on the terms of the SISP. As a result, the Debtors have requested an extension of this deadline.

C. Advancing the SISP

22. In my capacity as CRO, I have been working with the Debtors, the Monitor and the Financial Advisor to develop the SISP.

23. The Debtors are in the process of engaging with their stakeholders on the draft SISP, and discussions regarding its terms are ongoing.

24. I believe it is important that the SISP be finalized and approved by this Court as soon as possible. The highly seasonal location of the Mine and Port means that potential investors have a narrowing window for site visits in the near term. The Debtors intend to return to this Court to seek approval of the SISP on a subsequent motion, and are working diligently towards that objective.

25. In the interim, the Debtors, the CRO, the Monitor and the Financial Advisor are taking steps to advance the process in parallel with the finalization of the SISP. In particular, consistent

with the milestones set out in the DIP Amendment, the Debtors are preparing to distribute a form of non-disclosure agreement ("**NDA**") to potentially interested parties, so that those interested parties can begin executing NDAs and attend the Mine and Port sites, and preparing for the diligence phase of the process including preparing sale process materials.

PART III – RELIEF SOUGHT ON THE MOTION

A. The Engagement of the Financial Advisor

26. As explained above, the Debtors, EDC and the Secured Lenders agreed that a financial advisor would be engaged to assist the Debtors with a SISP and would be selected through a process conducted by the Monitor.

27. As explained in greater detail in the Third Report of the Monitor dated July 26, 2026, the Monitor conducted a process to select a financial advisor that involved multiple interviews of the agreed-upon candidates, each of which is highly experienced and sophisticated. Through those interviews, and the review and negotiation of fee proposals, the Debtors, EDC and the Secured Lenders all agreed that Morgan Stanley was the preferred choice among the available candidates to serve as the Financial Advisor.

28. After a consensus was developed concerning the selection of the Financial Advisor, the Monitor and the CRO managed the negotiation of the Engagement Letter, including by soliciting comments from the Debtors, EDC and the Secured Lenders. Ultimately, after extensive feedback from EDC and the Secured Lenders and negotiations with Morgan Stanley, the Engagement Letter, including the indemnity agreement attached thereto, was finalized on August 13, 2026 and entered into by the CRO on behalf of Nunavut Iron Ore, Inc. and Baffinland Iron Mines Corporation. A redacted copy of the Engagement Letter dated August 13, 2026 is attached as **Exhibit "F"**, and an unredacted copy is attached as Confidential **Exhibit "G"** and is proposed to be filed under seal due to the commercially sensitive information contained therein.

29. The Engagement Letter contemplates a broad range of transaction structures,[2] including asset or share sales, credit bids, recapitalizations and refinancing transactions. Pursuant to the Engagement Letter, the Financial Advisor will perform financial advisory services, including:

(a) advising on the draft form of SISP documentation;

(b) preparing, in collaboration with the Debtors, a confidential information memorandum and related materials;

(c) identifying and contacting prospective purchasers, and soliciting and assisting in evaluating indications of interest and proposals among prospective purchasers;

(d) coordinating potential purchasers' due diligence with the assistance of the Monitor and the Debtors, including in connection with site visits;

(e) assisting in structuring and negotiating the sale and terms of consideration;

(f) assisting with closing matters;

(g) providing affidavit evidence, if requested by the Company, in connection with any motion brought by the Debtors for approval of a Transaction identified in the SISP; and

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2 A "Transaction" includes any of the following completed through a Court-approved SISP: (a) any sale, transfer, assignment, conveyance, credit bid or other disposition of all or substantially all of the assets, property, undertaking, or business of the Debtors, whether by way of asset sale, share sale, merger, amalgamation, arrangement, or otherwise including a reverse vesting order transaction, including by way of stalking horse bid or similar transaction; (b) any recapitalization, restructuring, refinancing, reorganization, compromise, or arrangement of the debt, equity, or other obligations or liabilities of the Debtors, including any plan of arrangement, plan of compromise, or plan of reorganization under applicable insolvency or restructuring legislation pursuant to which one or more parties directly or indirectly acquires control of all or substantially all of the assets of the Debtors; and (c) any combination of the foregoing, regardless of the form or structure through which such transaction is effected.

(h) providing any other investment banking and financial advisory services reasonably necessary to accomplish the foregoing and consummate a Transaction as requested by the Debtors and agreed to by the Financial Advisor from time to time.

30. I believe that the Debtors' engagement of the Financial Advisor is in the best interests of the Debtors and their stakeholders. The Financial Advisor will assist with the development and advancement of the SISP, which benefits all of the Debtors' stakeholders and its involvement will be critical to the successful completion of a transaction as part of the CCAA proceeding that will maximize value for all of the Debtors' stakeholders. As I understand will be explained in greater detail in the Monitor's Fourth Report, the Financial Advisor has extensive experience in restructuring, mergers and acquisitions, and investment banking. Further, the Financial Advisor has previously assisted in the sale of significant assets in the iron ore industry.

B. Compensation Payable to the Financial Advisor

31. The Financial Advisor's compensation under the Engagement Letter consists of several components:

(a) a fee ("**Advisory Fee**"), intended to reimburse the Financial Advisor for its time and efforts expended in connection with the engagement, payable in advance of each quarter until the term of the engagement is completed. The first instalment is payable upon execution of the Engagement Letter and the next instalment is payable on October 1, 2026;

(b) a fee (the "**Announcement Fee**") payable upon Court approval of the Transaction;

(c) if a Transaction is consummated, a fee (the "**Transaction Fee**") calculated as a specified percentage of the Transaction Value, with an incremental percentage applying to the portion of Transaction Value above a specified threshold, and subject to a minimum quantum of compensation. If the Transaction is a Senior Secured Lender Restructuring (as defined in the Engagement Letter) constituting a Transaction, a reduced fixed Transaction Fee applies, which increases if the Transaction Value exceeds a specified threshold. The Transaction Fee is payable upon closing of the Transaction. Any Advisory Fee, Announcement Fee or Termination Fee (defined below) paid will be credited against the Transaction Fee, to the extent not previously credited; and

(d) if a Transaction is not consummated and the Debtors receive compensation pursuant to the termination provisions contained in the definitive agreement relating to the Transaction (such compensation, a “**Reverse Breakup Fee**”), the Financial Advisor will charge a “**Termination Fee**” equal to a specified percentage of the Reverse Breakup Fee, against which any Advisory Fee or Announcement Fee paid will be credited, to the extent not previously credited. The Termination Fee is payable upon the Debtors’ receipt of the Reverse Breakup Fee.

32. For purposes of the Engagement Letter, “**Transaction Value**” is calculated by reference to (a) the consideration paid for the equity and/or assets of the Debtors in the Transaction, plus (b) the principal amount of indebtedness, capital leases and similar non-trade liabilities or obligations, including liabilities that accelerate upon a change of control, operating leases and preferred stock, directly or indirectly assumed, refinanced or retired in connection with the Transaction, plus (c) the value of any interests, whether equity or assets, retained by the Debtors or their shareholders, in each case without duplication and without reduction for transaction expenses, including any fees paid or payable to the Financial Advisor. Where a Senior Secured Lender Restructuring is consummated, the Transaction Value is calculated by reference to the Viable Third Party Bid (as defined in the Engagement Letter) and not the value attributed to the Senior Secured Lender Restructuring.

33. Pursuant to the Engagement Letter, the Financial Advisor is also entitled to reimbursement for its reasonable out-of-pocket expenses incurred from time to time, including its legal costs (the "**Expenses**"); provided that the Expenses reimbursable by the Debtors are capped at a specified monthly amount, exclusive of applicable taxes, absent the CRO's prior written consent, which consent shall not be unreasonably withheld.

34. If the Engagement Letter is terminated, the Debtors remain liable for compensation or reasonable out-of-pocket Expenses earned or incurred to the date of termination. The Financial Advisor also retains the right to receive fees in respect of a Transaction if a definitive agreement is executed within 12 months after termination of the Engagement Letter by the Debtors without cause.

C. The Financial Advisor Charges

35. As part of the relief on this motion, the Debtors are seeking two charges in favour of the Financial Advisor (collectively, the "**Financial Advisor Charges**"):

(a) a charge (the "**Financial Advisor Fee Charge**") over the Debtors' property in the maximum amount of the aggregate of the Advisory Fee, the Announcement Fee and the Expenses. As set out in the Omnibus Order, the Financial Advisor Fee Charge shall rank *pari passu* with the Administration Charge and the CRO Fee Charge; and

(b) a charge (the "**Financial Advisor Transaction Fee Charge**") over the Debtors' property in the maximum amount of the Transaction Fee or the Termination Fee (each as defined in the Engagement Letter), as applicable. As set out in the Omnibus Order, this charge shall rank subordinate to the Administration Charge, the CRO Fee Charge, the D&O Charge and the DIP Charge granted in the CCAA proceeding and in priority to the CRO Tiered Success Fee Charge and all other Encumbrances, as security for all amounts due to be paid to the Financial Advisor.

36. I believe that the structure and quantum of the Financial Advisor Charges are reasonable in the circumstances. I also understand that the Monitor and the DIP Lender are supportive of the Financial Advisor Charges, and that the Monitor believes their structure and quantum are fair and reasonable in the circumstances.

D. Sealing the Engagement Letter

37. The Engagement Letter contains commercially sensitive and confidential information. In particular, the Debtors, in consultation with the Financial Advisor and the Monitor, propose to redact from the public record certain commercially sensitive aspects of the Engagement Letter, including the quantum of the fees payable to the Financial Advisor. Because certain of the fees payable to the Financial Advisor are tied to the value of a potential transaction under a SISP, I am concerned that disclosing the fees publicly could negatively impact the SISP. A potential bidder may use the fee information to estimate the Financial Advisor’s views concerning the value of the Debtors’ business, and seek to submit strategic bids based on those assessments of value. Moreover, the disclosure of the fee arrangements on the public record could prejudice the Financial Advisor’s competitive position by revealing its pricing structure to competitors and prospective clients. I also note that the terms of the Engagement Letter require that the fees payable to the Financial Advisor be redacted from the public record.

38. The Debtors, the Monitor, EDC and the Secured Lenders (who were actively involved in the negotiation of the fees payable to the Financial Advisor) have all had confidential access to the unredacted Engagement Letter. As a result, these parties have had an opportunity to assess the reasonableness of the fee arrangements. In the circumstances, I believe that sealing the fee

information from the public record is appropriate and consistent with the approach taken in other CCAA proceedings.

E. Extension of the Stay

39. The Stay granted by the Second ARIO expires on August 28, 2026. Pursuant to the Omnibus Order, the Debtors seek an extension of the Stay until and including December 11, 2026.

40. I believe it is necessary and in the best interests of the Debtors and their stakeholders that the Stay be extended until December 11, 2026. Specifically, the proposed extension of the Stay will, among other things:

(a) facilitate the continued stability of the Debtors' business and operations;

(b) allow the Debtors, the CRO, the Financial Advisor, and the Monitor to finalize the SISP and return to Court for its approval; and

(c) permit the Debtors, with the Monitor, to complete the offtake solicitation process in advance of the expiry of the Debtors' current offtake arrangements, and to continue to address other operational matters.

41. The Debtors' funding requirements have been reviewed by the Monitor and me. The Debtors are forecast to have sufficient liquidity to fund their obligations and the costs of the CCAA proceeding through the end of the proposed extension of the Stay. I understand that an updated cash flow forecast will be appended to the Fourth Report of the Monitor, to be filed.

SWORN REMOTELY by William E. Aziz at the Town of Oakville, in the Province of Ontario before me at the City of Toronto, in the Province of Ontario, on the 23rd day of August, 2026 in accordance with O. Reg 431/20, *Administering Oath or Declaration Remotely.*

Sean Monahan

SEAN MONAHAN
(LSO #87650U)
A Commissioner for Taking Affidavits in and for the Province of Ontario

William E. Aziz

WILLIAM E. AZIZ

This is Exhibit “A” referred to in the Affidavit of William E. Aziz sworn remotely by William E. Aziz stated as being located in the Town of Oakville, in the Province of Ontario, before me in the City of Toronto, in the Province of Ontario, on August 23, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Sean Monahan

SEAN MONAHAN

LSO# 87650U

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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE	)	WEDNESDAY, THE 29TH
	)	
MADAM JUSTICE STEELE	)	DAY OF JULY, 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

ORDER
(CRO Appointment)

THIS MOTION, made by Nunavut Iron Ore, Inc., Baffinland Iron Mines Corporation, 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 approving the engagement of BlueTree Advisors Inc. to provide the services of William E. Aziz as Chief Restructuring Officer of the Debtors (the "**CRO**") was heard by zoom teleconference.

ON READING the affidavit of Jowdat Waheed sworn July 24, 2026 (the "**Waheed Affidavit**") and the Exhibits thereto, and the Third Report of FTI Consulting Canada Inc. (the "**Monitor**") dated July 26, 2026, and on hearing the submissions of counsel for the Applicants, counsel for the Monitor, and such other counsel and parties as listed on the Participant Information Form, with no one else appearing although duly served as appears from the lawyer’s certificate of service, filed:

SERVICE AND DEFINITIONS

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

2. **THIS COURT ORDERS** that any capitalized term used and not defined herein shall have the meaning ascribed thereto in the Second Amended and Restated Initial Order granted by this Court on June 11, 2026 (the “**SARIO**”) or in the Waheed Affidavit.

APPOINTMENT OF CHIEF RESTRUCTURING OFFICER

3. **THIS COURT ORDERS** that the agreement dated as of July 23, 2026 pursuant to which the Debtors have engaged BlueTree Advisors Inc. (“**BlueTree**”) to provide the services of William E. Aziz to act as Chief Restructuring Officer of the Debtors (the “**CRO**”) in accordance with the CRO Mandate described in Schedule “A” attached thereto, a copy of which is attached as **Exhibit “E”** to the Waheed Affidavit (the “**CRO Engagement Letter**”), the execution of the CRO Engagement Letter by the Debtors, *nunc pro tunc*, and the appointment of the CRO pursuant to the terms thereof is hereby approved, with such minor amendments to the CRO Engagement Letter as the Debtors and BlueTree, in consultation with the Senior Secured Lenders and EDC and with the consent of the Monitor, may deem necessary.

4. **THIS COURT ORDERS** that the Debtors shall (i) advise the CRO of all material steps taken by the Debtors in these proceedings, and (ii) cooperate fully with and provide the CRO with the assistance necessary to enable the CRO to exercise its powers and discharge its obligations under the CRO Engagement Letter, the CRO Mandate, this Order and any other orders issued in these proceedings.

5. **THIS COURT ORDERS** that the CRO shall consult with the Monitor regarding all material issues relating to the Business and these proceedings and shall cooperate 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 pursuant to the CCAA, the SARIO and any other orders issued in these proceedings.

6. **THIS COURT ORDERS** that none of BlueTree, any of their employees, directors, officers or shareholders, or the CRO, be or be deemed to be a director, *de facto* director, employee or trustee of the Debtors or any of their respective subsidiaries or affiliates, unless consented to in writing by such Person and approved by the Court.

7. **THIS COURT ORDERS** that neither BlueTree nor the CRO shall, as a result of the performance of their respective obligations and duties in accordance with the terms of the CRO Engagement Letter be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation; provided, however, that if BlueTree or the CRO is nevertheless found to be in Possession of any such Property, then BlueTree and/or the CRO, as applicable, shall be entitled to the benefits and protections in relation to the Debtors and such Property as are provided to a monitor under Section 11.8(3) of

the CCAA; provided further, however, that nothing herein shall exempt BlueTree and/or the CRO from any duty to report or make disclosure imposed by law incorporated by reference in Section 11.8(4) of the CCAA.

8. **THIS COURT ORDERS** that neither BlueTree nor the CRO shall have any liability with respect to any losses, claims, damages or liabilities, of any nature or kind, to any Person from and after the date of this Order, except either (i) as specified in the CRO Engagement Letter or to (ii) the extent such losses, claims, damages or liabilities result from the fraud, gross negligence or wilful misconduct on the part of BlueTree and/or the CRO as determined pursuant to a final order of this Court that is not subject to appeal or other review and all rights to seek any such appeal or other review shall have expired.

9. **THIS COURT ORDERS** that no proceeding shall be commenced directly, or by way of counterclaim, third party claim or otherwise against or in respect of Blue Tree or the CRO related to the performance of its duties and obligations under this Order, and all rights and remedies of any Person against or in respect of them are hereby stayed and suspended, except with the written consent of BlueTree, and/or the CRO, or with leave of this Court on notice to the Debtors, the Monitor and the CRO, as applicable. Notice of any such motion seeking leave of this Court shall be served upon the Debtors, the Monitor and the CRO, as applicable, at least seven (7) days prior to the return date of any such motion for leave.

10. **THIS COURT ORDERS** that the obligations of the Debtors to BlueTree and the CRO pursuant to the CRO Engagement Letter shall be treated as unaffected and may not be compromised in any Plan or in any other proceeding commenced under the CCAA

or the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, in respect of the Debtors.

11. **THIS COURT ORDERS** that BlueTree and the CRO shall be paid their fees, costs and disbursements in accordance with the terms of the CRO Engagement Letter (the "**CRO Fees**") by the Debtors as part of the costs of these proceedings. The CRO Fees (excluding the Tiered Success Fee (as defined in the CRO Engagement Letter)) shall be secured by and are hereby granted a charge (the "**CRO Fee Charge**") over the Property, which charge shall not exceed an aggregate amount of US$1,000,000, as security for the obligations of the Debtors in respect of the CRO Fees (excluding the Tiered Success Fee) under the CRO Engagement Letter. The CRO Fee Charge shall have the priority set out in paragraph 14 herein.

12. **THIS COURT ORDERS** that any amounts payable to BlueTree and/or the CRO in respect of the Tiered Success Fee shall be secured by and are hereby granted a charge (the "**CRO Tiered Success Fee Charge**") over the Property, which charge shall be in the amount of the Tiered Success Fee under the CRO Engagement Letter, as security for the obligations of the Debtors in respect of the Tiered Success Fee under the CRO Engagement Letter. The CRO Tiered Success Fee Charge shall have the priority set out in paragraph 14 herein.

13. **THIS COURT ORDERS** that the CRO is hereby authorized to (i) enter into and execute, in the name of and on behalf of the Debtors, any non-disclosure agreements with interested parties in order to facilitate a sale and investment solicitation process in

respect of the Debtors and the Property, and (ii) assist the Debtors in arranging for site visits.

COURT-ORDERED CHARGES

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

> **"**42. **THIS COURT ORDERS** that the priorities of the Administration Charge, the CRO Fee Charge, the D&O Charge, the DIP Charge, and the CRO Tiered Success Fee Charge (collectively, the "**Charges**") and the Encumbrances securing the indebtedness, liabilities and obligations owing under the Senior Secured Debt Documents (as defined in the CRO Engagement Letter) (the "**Senior Secured Lender Security**") as among them, shall be as follows:
>
> > *First* – the Administration Charge (to the maximum amount of US$5 million) and the CRO Fee Charge (to the maximum amount of US$1,000,000), on a *pari passu* basis;
> >
> > *Second* – the D&O Charge (to the maximum amount of US$20.4 million);
> >
> > *Third* – the DIP Charge (to the maximum amount of the DIP Obligations then outstanding);

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

Fifth – the CRO Tiered Success Fee Charge (in the amount of the Tiered Success Fee under the CRO Engagement Letter)."

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

GENERAL

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

17. **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.

18. **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

Jana Steele

Digitally signed by Jana Steele
Date: 2026.07.29 15:05:32 -04'00'

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

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

Applicants

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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

ORDER
(CRO Appointment)

DAVIES WARD PHILLIPS & VINEBERG LLP
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Tel : 416.367.7471
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Natalie Renner (LSO# 55954A)
Tel: 416.367.7489
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Lawyers for the Applicants and Baffinland Iron Mines LP

This is Exhibit "B" referred to in the Affidavit of William E. Aziz sworn remotely by William E. Aziz stated as being located in the Town of Oakville, in the Province of Ontario, before me in the City of Toronto, in the Province of Ontario, on August 23, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Sean Monahan

SEAN MONAHAN

LSO# 87650U

SCHEDULE "A"
MANDATE

SUMMARY OF CRO DUTIES

The CRO's duties shall be as follows:

a) providing input, recommendations, and assistance to the Operator and the Debtors, as necessary, in connection with operational decisions that can reasonably be expected to have an impact on the Debtors' restructuring activities and the CCAA Proceeding; and, specifically with respect to current, new, or potential off-take parties, fuel suppliers, and other contracts identified by the CRO, participating in negotiations and communications with such off-take parties, fuel suppliers, and other counterparties concerning new or alternative arrangements;

b) advising and providing recommendations to the Operating Committee and attending meetings of the Operating Committee in respect of the Debtors' restructuring activities and CCAA Proceeding, including in respect of the items listed below:

   a. the disclaimer of agreements;

   b. matters affecting key stakeholder groups;

   c. the development of a sale and investment solicitation process in respect of the Debtors and its business and assets (a "**SISP**");

   d. updates regarding material developments in the SISP;

   e. the development of a restructuring plan or plans of the Debtors and/or its business and assets for presentation to creditors and other stakeholders;

   f. potential strategic options and financial restructuring alternatives; and

   g. any key employee retention plan being proposed;

c) providing input, recommendations and assistance to the Debtors in connection with each of the matters enumerated in (b) above;

d) assisting the Monitor with the review of any pre-filing transactions, if requested by the Monitor;

e) assisting with the negotiation of, and executing, NDAs in preparation for or in connection with any SISP;

f) assisting with the negotiation of, and executing, the engagement letter for the financial advisor responsible for conducting the SISP;

g) coordinating with the SISP financial advisor and others on the resources and information needed to effect the SISP;

h) managing negotiations and communications involving the Debtors' creditors and other stakeholders with respect to matters arising in connection with the CCAA Proceeding, as deemed necessary by the CRO;

i) working with the Debtors, as deemed necessary by the CRO, to manage all processes related to the conduct of the CCAA Proceeding and developing a work plan for the CCAA Proceeding;

j) assisting the Debtors in the preparation and review of CCAA cash flow modeling (including identifying and recommending any cost rationalization measures to be undertaken) and with compliance of the Debtors' reporting obligations (both financial and non-financial) to the DIP Lender and the Senior Secured Lenders, including under the EDC DIP Facility and the Settlement of DIP Financing Litigation;

k) attending court hearings and assisting the Debtors with the preparation of Court materials and providing affidavits, each as appropriate, in the CCAA Proceeding;

l) attending any meetings with the NTI/QIA and the Company, as deemed appropriate by the CRO in consultation with Monitor and the Debtors;

m) working with the Monitor to coordinate the foregoing restructuring activities;

n) communicating with and providing information to the Monitor and the Debtors' stakeholders, with respect to matters relating to the Debtors' restructuring activities and CCAA Proceeding; and

o) providing such other services as may be needed in respect of the Debtors' restructuring and CCAA Proceeding, as determined by the CRO, in consultation with the Monitor and the Operating Committee.

This is Exhibit "C" referred to in the Affidavit of William E. Aziz sworn remotely by William E. Aziz stated as being located in the Town of Oakville, in the Province of Ontario, before me in the City of Toronto, in the Province of Ontario, on August 23, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Sean Monahan

SEAN MONAHAN

LSO# 87650U

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.

Applicants

AFFIDAVIT OF CELESTE VAN TONDER
(Sworn May 14, 2026)

I, Celeste van Tonder, of the City of Oakville, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am the Vice President and Chief Financial Officer of Nunavut Iron Ore, Inc. ("**NIO**"), the Chief Financial Officer of 12334992 Canada Inc. ("**123 Canada Inc.**") and the Chief Financial Officer of Baffinland Iron Mines Corporation ("**BIM Corp**."), which also acts as the general partner of Baffinland Iron Mines LP ("**BIM LP**", and together with the Applicants, the "**Debtors**"). I have held these positions since October 2, 2023. I have also been a director of 123 Canada Inc. and BIM Corp. since August 29, 2024.

2. I am familiar with the Debtors' day-to-day operations, business and financial affairs and I have been actively engaged in discussions and negotiations concerning their financial circumstances. As such, I have personal knowledge of the matters described in this Affidavit. Where I have relied on information from other sources, I have stated the source and verily believe such information to be true.

3. This Affidavit is sworn in support of an application by the Applicants for relief under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**").

4. As part of their application, the Applicants seek an initial order (the "**Initial Order**"), among other things:

(a) declaring that the Applicants are debtor companies to which the CCAA applies,

(b) declaring that BIM LP shall be bound by, and entitled to the protections and benefits of, the Initial Order as though it were an Applicant;

(c) granting a stay of proceedings against the Debtors for an initial period of not more than ten days, subject to further order of this Court;

(d) appointing FTI Consulting Canada Inc. ("**FTI**" or the "**Monitor**") as the court-appointed monitor of the Debtors;

(e) authorizing the Debtors to continue using their existing cash management system;

(f) granting the following charges against the property of the Debtors, in the following order of priority:

(i) first, an administration charge in the amount of $2 million to secure the fees and disbursements of the Monitor, counsel to the Monitor, and counsel to the Debtors (the "**Administration Charge**");

(ii) second, a directors' and officers' charge in the amount of $14 million to indemnify the directors and officers of the Debtors or any member of the Operating Committee (defined below) to the extent such member is or was directly or indirectly exercising the powers of the directors of any of the Debtors for any obligations and liabilities they may incur in their capacities as directors or officers, or in the case of members of the Operating Committee, in their capacity as persons exercising the powers of directors during these proceedings (the "**D&O Charge**"); and

(g) setting a date for a comeback hearing (the "**Comeback Hearing**") to be held within ten days of the Initial Order.

5. At the Comeback Hearing, the Applicants intend to seek an amended and restated Initial Order (the "**ARIO**"), among other things:

(a) extending the stay of proceedings against the Debtors;

(b) approving a debtor-in-possession credit facility to finance the Debtors' working capital requirements, general corporate purposes and post-filing expenses (the "**DIP Facility**") and granting a charge against the property of the Debtors to secure the amounts borrowed under the DIP Facility (the "**DIP Charge**");

(c) increasing the amounts of the Administration Charge and D&O Charge as necessary;

(d) approving a key employee retention plan (the "**KERP**") and/or key employee incentive plan ("**KEIP**") for certain employees and management of the Debtors;

(e) granting a charge against the current and future property of the Debtors as security for amounts payable under the KERP (the "**KERP Charge**");

(f) declaring certain suppliers of the Debtors as critical suppliers (the "**Critical Suppliers**") and granting a critical supplier charge against the current and future property of the Debtors as security for amounts payable to the Critical Suppliers; and

(g) granting such other relief as may be required.

6. All dollar amounts in this Affidavit are expressed in millions of United States dollars unless otherwise stated.

OVERVIEW

7. The Debtors are a group of affiliated entities engaged in iron ore mining operations at the Mary River mine (the “**Mine**”), which is one of the highest-grade iron ore mines in the world and is located in the Qikiqtani Region of Nunavut on Baffin Island, Canada. The day-to-day mining operations are carried out by BIM LP, through its general partner BIM Corp. (collectively, “**Baffinland**”). Baffinland is the largest private sector employer in Nunavut, employing approximately 1,200 people, including approximately 300 Inuit employees.

8. The Mine contains among the highest-grade iron ore deposits ever discovered, with historic average iron content mined in excess of 67%. Baffinland began mining operations at the Mine in 2014 and reached commercial production the following year.

9. The Debtors’ financial difficulties are the product of several converging factors: (a) high debt-servicing costs from substantial outstanding indebtedness; (b) significant capital expenditures and commitments incurred in connection with a proposed railway, which was ultimately rejected by the federal Minister of Northern Affairs; (c) constrained transportation and shipping limits imposed under existing regulatory approvals; and (d) the high operating costs associated with the current operations model.

10. Despite undertaking significant cost-reduction and efficiency measures, including reductions in working capital commitments, renegotiation of key supplier contracts, and a workforce reduction of more than 20% in 2024, the Debtors remain unable to generate sufficient revenue to service their outstanding debt obligations and cover their fixed operating costs at the

current transportation and shipping caps. Moreover, prospective investors have been reluctant to provide further equity capital, and the Debtors have been unable to refinance their existing indebtedness on acceptable terms. As a result, the Debtors are currently operating on a week-to-week basis from a cash-flow perspective.

11. For the year-ended December 31, 2025, Baffinland and 123 Canada Inc., on a consolidated basis, reported a net loss of $102.4 million and their current liabilities exceeded their current assets by $761 million. As described under the heading “Financial Statements” below, NIO, on a consolidated basis, reported a net loss of $545.1 million for the year ended December 31, 2025. This figure includes a $423 million goodwill impairment loss relating to the value of the Mine. Since NIO’s consolidated financial statements include a significant non-cash impairment charge, this Affidavit relies on the consolidated financial statements of Baffinland and 123 Canada Inc. to more accurately represent the Debtors’ financial position.

12. The Debtors are in breach of their senior secured credit facility, which has led to cross-defaults under their term credit facility, and their senior secured notes, which mature July 15, 2026. The Debtors also owe approximately $87 million in past-due trade payables. The Debtors do not have sufficient liquidity to repay these obligations.

13. The Mine's operations are entirely dependent on arctic diesel and jet fuel, which can only be delivered by sea during the annual shipping window of mid-July to mid-October. If adequate supply is not secured before the window closes, the Mine would be forced to curtail or shut down operations entirely. The current crisis in the Middle East has caused diesel prices to surge by approximately 50–70% since January 2026 and has created significant risk of physical supply shortages due to disruptions in global refining capacity and trade flows. Since sealift procurement requires lead time and global competition for fuel is intense, Baffinland must act promptly to

secure committed volumes and vessel capacity. The Debtors currently lack the liquidity to procure the fuel required.

14. In these circumstances, the Debtors require the protection of the CCAA to stabilize their operations, preserve the going-concern value of their business, secure debtor-in-possession financing and pursue a viable restructuring for the benefit of all stakeholders, including pursuing a sale and investment solicitation process. Absent such protection, the Debtors face the risk that creditors will take enforcement action, which would disrupt ongoing operations and diminish the value of their assets. Moreover, a disruption to the Mine would have far-reaching consequences, not only for creditors of the Debtors, but also for Inuit communities, Inuit businesses that provide services to the mine, the approximately 1,200 workers who depend on the continued operation of the mine and the broader Nunavut economy more generally.

15. The remainder of this Affidavit is presented in two parts: Part I sets out the Debtors' financial circumstances, including: (a) an overview of the corporate structure and governance of the Debtors; (b) a description of the Debtors' business and operations, including transportation and shipping constraints and impediments to expansion; (c) the financial position of the Debtors as reflected in their most recent financial statements; (d) the indebtedness of the Debtors, including their secured and unsecured debt obligations, contingent liabilities, and other material agreements; and (e) the source of the Debtors' financial difficulties, the cost-reduction measures undertaken to date, and the urgency of this application. Part II describes the relief sought by the Applicants under the Initial Order and at the Comeback Hearing. A table of contents is set out below.

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PART I – THE DEBTORS' FINANCIAL CIRCUMSTANCES

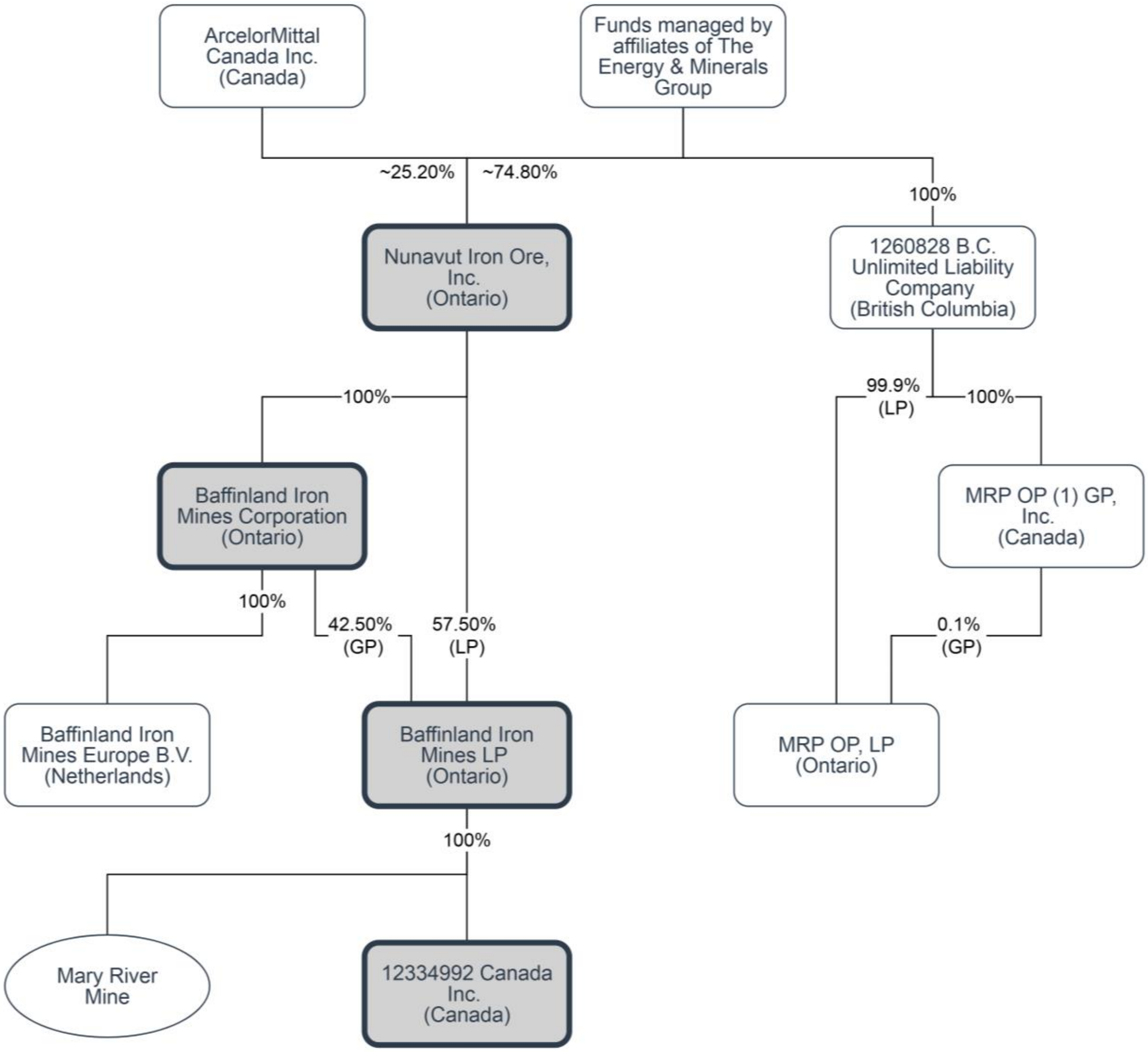
A. OVERVIEW OF THE DEBTORS

(i) Corporate Structure

16. The Debtors are NIO, 123 Canada Inc., BIM Corp. and BIM LP, each of which is described in greater detail below.

17. The Debtors are private companies ultimately owned principally by two groups: (a) ArcelorMittal Canada Inc., an indirect subsidiary of ArcelorMittal S.A. ("**Arcelor**"), a global leader in steel and mining (~25.20%); and (b) funds managed by affiliates of The Energy & Minerals Group ("**EMG**"), a Texas-based private investment firm specializing in the energy and minerals sectors (~74.80%). A remaining minority of shareholders hold approximately 0.1% of the equity. As described more fully below, through a series of agreements, the decision-making authority of NIO and Baffinland has been delegated to an operating committee whose members are appointed by Arcelor and EMG.

18. The chart below is a high-level illustration of the corporate structure of the Debtors. The Debtors are highlighted in grey.



(a) NIO

19. NIO is a corporation incorporated under the *Business Corporations Act* (Ontario). Its registered office address is 2300 Yonge Street, Suite 1702, Toronto, Ontario. A corporate profile report for NIO as of April 1, 2026 is attached to this Affidavit as **Exhibit "A"**.

20. NIO is the sole shareholder of BIM Corp. and the sole limited partner of BIM LP. NIO's principal assets are its shares in BIM Corp. and its 57.5% limited partnership interests in BIM LP. As described below, NIO has provided a limited recourse guarantee of Baffinland's secured

indebtedness. NIO is also the issuer under the unsecured notes due 2029 (defined and described below as the 2029 Notes).

(b) BIM Corp.

21. BIM Corp. is a corporation incorporated under the *Business Corporations Act* (Ontario). Its registered or head office address is 360 Oakville Place Drive, Suite 300, Oakville, Ontario, and its northern headquarters is located at 611 Queen Elizabeth Way, Suite 101, Iqaluit, Nunavut. A corporate profile report for BIM Corp. as of April 1, 2026 is attached to this Affidavit as **Exhibit "B"**.

22. BIM Corp. is the sole general partner of BIM LP and holds a 42.5% interest in BIM LP. BIM Corp. carries on Baffinland's business and operations in that capacity.

(c) BIM LP

23. BIM LP is a limited partnership formed under the *Limited Partnerships Act* (Ontario). Its principal place of business is 360 Oakville Place Drive, Suite 300, Oakville, Ontario L6H 6K8, although operations are also conducted from an office in Toronto, Ontario. A limited partnership profile report for BIM LP as of April 1, 2026 is attached to this Affidavit as **Exhibit "C"**.

24. Substantially all the Debtors' assets, including the Mine, are beneficially owned by BIM LP. The operation of the Mine is carried out by BIM LP through BIM Corp. as its general partner.

(d) 12334992 Canada Inc.

25. 123 Canada Inc. is a corporation incorporated under the *Canada Business Corporations Act*. Its registered or head office address is 360 Oakville Place Drive, Suite 300, Oakville, Ontario. A corporate profile for 123 Canada Inc. as of April 1, 2026 is attached to this Affidavit as **Exhibit "D"**.

26. 123 Canada Inc. is a wholly owned subsidiary of BIM LP. It was created to hold certain prospective mining leases and mineral claims for precious metals and other minerals unrelated to Baffinland's iron ore operations. It is entirely dependent on Baffinland for funding and has no independent source of income to maintain these mineral claims. It does not have any employees.

(ii) Corporate Governance

27. NIO is subject to a unanimous shareholders agreement among NIO[1], its shareholders Arcelor and EMG[2], BIM Corp. and BIM LP. Under that agreement, all decision-making authority over NIO and Baffinland, whether exercised directly or indirectly, is vested in an operating committee (the "**Operating Committee**"). The Operating Committee is responsible for supervising the management of the business and affairs of NIO and is composed of appointees of EMG and Arcelor based on their respective equity ownership: EMG has appointed five members and Arcelor has appointed two members.

28. Baffinland is also party to a first amended and restated operating services agreement dated May 6, 2015, as amended by an amendment dated December 6, 2016 (the "**Operating Agreement**") with NIO, Arcelor, ArcelorMittal Mines Mary River Operating Inc., and MRP OP, LP (the "**EMG Operator**"). Under the Operating Agreement, Baffinland has delegated power and authority to the EMG Operator to manage the day-to-day operations of the Mine. Key members of the EMG Operator work from Baffinland's office in Toronto, Ontario. The Operating Agreement is attached as **Exhibit "E"** to this Affidavit.

29. The EMG Operator is entitled to a fee under the Operating Agreement equal to 2% of enumerated capital and operating costs incurred by Baffinland in any year. This fee has been

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1 Formerly AM Baffinland ULC and Nunavut Iron Ore, Inc.

2 The EMG shareholder includes funds managed by EMG, being EMG Iron Ore HC LLC, EMG Iron Ore Phase 3 (Q4 19) Holdings LLC, EMG Iron Ore Phase 3 Holdings LLC, EMG Iron Ore 2026 Equity, LLC.

waived by the EMG Operator until iron ore from the Mine is stockpiled for shipping or shipped at a rate of 12 metric tonnes per annum ("**Mtpa**"). Because Baffinland is currently restricted by its regulatory approvals to transporting and shipping no more than 4.2 Mtpa, no fees have been paid to date. Despite this waiver, NIO, EMG and Arcelor (who was formerly a joint operator with EMG) entered into a series of side letters under which distributions at the NIO level are allocated among Arcelor and EMG in consideration for the waiver. Additionally, the EMG Operator is reimbursed for certain expenses incurred in connection with its services, including employee compensation, and office expenses.

B. BAFFINLAND'S BUSINESS AND OPERATIONS

(i) Overview

30. Baffinland operates the Mine, which is one of the highest-grade iron ore mines in the world, and is located in the Qikiqtani Region of Nunavut on Baffin Island, Canada. Iron ore is primarily used to produce steel, which is essential for construction, transportation, energy infrastructure, and manufacturing purposes. Baffinland commenced mining operations at the Mine in 2014 and achieved commercial production in 2015.

31. The Mine contains some of the highest-grade iron ore deposits ever discovered, with historical average iron content mined exceeding 67%. Baffinland produces two high-grade low impurity iron ore products through a simple three-stage process of mining, crushing, and screening.

(ii) Operations and Logistics

32. The Mine is located approximately 1,000 kilometres northwest of Iqaluit, the capital of Nunavut, and is one of the most northern mining operations in the world. The Mine is entirely self-contained. Employees are flown in for three-week rotations.

33. Baffinland's mining operations are centred on two main locations: the Mine site and a port at Milne Inlet, from where iron ore is shipped and is located approximately 100 kilometres to the northwest of the mine. The two sites are connected by a gravel road (the "**Tote Road**"), a route originally constructed in the 1960s and upgraded by Baffinland in 2007. All processed ore is trucked along the Tote Road to Milne Inlet, where it is stockpiled and loaded onto ocean-going vessels during the shipping season for shipment to customers, who are predominantly in Europe.

34. Baffinland's mining operations are functionally organized into five areas: (a) mining operations, (b) crushing operations, (c) ore hauling and materials handling (including port and shipping), (d) mobile maintenance, and (e) site services (including camp, power plant, and related support infrastructure). Management of these areas is based at the Mine and Milne Inlet sites, while certain administrative functions, such as finance, legal, corporate development, permitting, human resources, and procurement, are based out of offices in Oakville and Toronto, Ontario.

35. Milne Inlet currently serves as the sole export point for Baffinland's iron ore. Shipping is limited to the open-water season, which generally runs from mid-July to mid-October, depending on ice and weather conditions. Outside this window, the sea freezes over, making conventional vessel access impractical. Although iron ore production occurs year-round, current regulatory permits do not authorize year-round shipping through Milne Inlet, and the current operations are not equipped to support it.

36. To secure ongoing cash-flow, and mitigate the seasonality of shipping, Baffinland has entered into offtake agreements with IRH Global Trading Ltd. ("**IRH**"), described in greater detail below under the heading "Offtake Arrangements". Baffinland relies on IRH for nearly all of its cash-flow, as IRH purchases all iron ore stockpiled at Milne Port.

37. To accommodate the remote nature of Baffinland's operations, the Mine site infrastructure includes: an airport with a 1,983 metre gravel runway upgraded for certain jet aircraft; an 800-bed

hard-wall camp and 210-bed camp; 1.35 MW diesel generators (8.1 MW total) which provide electricity to the site; an explosives plant; a truck wash plant; full-service maintenance facilities and parts warehouses; and water and waste treatment plants. Physical infrastructure at the Milne Inlet port includes: a 120-bed camp; 1.35 MW diesel generators (9.5 MW total) which provide electricity to the site; ore dock and ship loading facilities; and a freight dock. Baffinland owns and maintains all site infrastructure.

(iii) Production Capacity and Impediments to Expansion

38. Production from the Mine is currently constrained by regulatory approvals governing the volume of iron ore that can be transported to and shipped from Milne Inlet, as well as the number of vessels permitted to enter Milne Inlet.

39. Production capacity at the Mine is measured in millions of metric tonnes per annum (or Mtpa), which is a unit of measurement used to quantify the production or processing capacity of a mine, representing the total mass of ore that a mine is designed to produce or handle over the course of one year. The Mine currently produces 4.2 Mtpa of iron ore, though Baffinland has the capacity to produce in excess of this amount and it has always been its objective to build the infrastructure to support expanded production capacity.

40. The Mine was originally approved by the federal Minister of Northern Affairs and the Nunavut Impact Review Board on December 28, 2012. At that time, Baffinland envisioned constructing an approximately 150-kilometre railway from the mine south to a deep-water port at Steensby Inlet, which would allow year-round (or near year-round) shipping (the "**Steensby Railway**"). However, for regulatory and financial reasons, Baffinland was only able to ultimately transport 4.2 Mtpa of iron ore along the Tote Road and ship that same volume from Milne Inlet port, a capacity subsequently increased to 6 Mtpa between 2018 and 2024. That increased capacity has since expired, and Baffinland's permitted volume has reverted to 4.2 Mtpa.

41. The map below displays the current transportation route from the Mine to the port at Milne Inlet along the Tote Road, and the proposed Steensby Railway.

42. In 2013, following a decline in iron ore prices and a shortage of investment capital, Baffinland pivoted from the Steensby Railway and port development project due to the estimated construction cost of approximately $5.7 billion. The regulatory approvals for the Steensby Railway, however, remained intact.

43. In 2018, Baffinland sought approval to increase its production capacity by constructing a 110-kilometre railway running north, parallel to the Tote Road, to the port at Milne Inlet, which would increase the quantity of iron ore shipped through Milne Inlet to 12 Mtpa (the "**Milne Railway**"). The original estimated cost was $910 million, substantially less than the Steensby Railway, and capital costs were intended to be funded from a combination of operating cash flows, additional equity contributions, and new debt.

44. After approximately four years of review (impacted, in part, by the COVID-19 pandemic), the Nunavut Impact Review Board recommended in May 2022 that the Milne Railway should not proceed, concluding that increased production and shipping activity in Milne Inlet could lead to negative effects on the marine environment, fish, caribou and other wildlife, and that these effects could impact Inuit harvesting, culture, land use, and food security. The federal Minister of Northern Affairs accepted this recommendation and rejected the proposal on November 16, 2022.

45. Following this rejection, Baffinland revived plans to finance and build the Steensby Railway project, which benefits from several layers of regulatory approval accumulated since 2012. Recent estimates suggest the cost of the Steensby Railway and port will be at least $4 billion. Once completed, the Steensby Railway would enable production and shipping to increase to approximately 22 Mtpa and significantly reduce operating costs. Despite significant progress made on the financing for the Steensby Railway, Baffinland does not currently have sufficient capital committed to advance the project.

46. As described below under the heading "Source of Baffinland's Financial Difficulties", Baffinland's constrained transportation and shipping capacity, together with the expenditures it incurred in pursuing the Milne Railway Proposal, have contributed to the Debtors' deteriorating financial position.

(iv) Regulatory Approval

47. The principal regulatory instrument governing the Mine is Nunavut Impact Review Board Project Certificate No. 005, as amended by Amendment 005 dated November 17, 2023 (collectively, the "**Project Certificate**"), a copy of which is attached as **Exhibit "F"** to my Affidavit. It is under the Project Certificate that Baffinland has approval to transport 4.2 Mtpa of iron ore along the Tote Road and ship that same volume from Milne Inlet port.

48. The Project Certificate establishes the scope of Baffinland's permissible mining, transportation, and shipping activities, as well as the environmental and socio-economic obligations it must satisfy. It contains nearly 190 project-specific terms and conditions addressing matters such as environmental monitoring, marine shipping controls, dust management, wildlife protection, Inuit employment, community engagement, and adaptive management.

(v) Marketing Agreements

49. Baffinland sells its iron ore to customers in Europe, including its largest customer, ArcelorMittal Sourcing S.C.A., as well as thyssenkrupp Steel Europe AG, and Salzgitter Flachstahl GmbH. The high quality of the iron ore allows purchasers to feed the product directly into blast furnaces without treatment or other beneficiation.

50. Commercial sales contracts for the sale of iron ore express measurements in terms of wet metric tonnes ("**wmt**"), which measures total weight of the iron ore, including moisture, and dry metric tonnes ("**dmt**"), which represent weight after removing water, which is crucial for pricing dry content in commodities like iron ore.

51. Baffinland markets its iron ore through an internal marketing team which operates through a wholly-owned subsidiary, Baffinland Iron Mines Europe B.V., a Netherlands company. The internal marketing team manages customer contracts and all shipping and logistics related to iron ore sales.

52. Baffinland and NIO have a marketing agreement in place with Glencore AG ("**Glencore**"), dated December 9, 2020 (the "**Glencore Marketing Agreement**"), attached to my Affidavit as **Exhibit "G"**. The Glencore Marketing Agreement had an original term of 10 years, from January 1, 2021 to December 31, 2031, which term has been extended for an additional 2 years. The agreement covers all product shipped from the Milne Port, subject to an annual cap of 18 million

wmt of iron ore (excluding iron ore sales to Arcelor) and certain other exclusions. In exchange, Glencore receives a marketing fee equal to 2% of the price ultimately paid by end customers.

53. Baffinland is also party to a marketing agreement with Hartree Partners, LP ("**Hartree**") dated November 24, 2025 (the "**Hartree Marketing Agreement**"), attached to my Affidavit as **Exhibit "H"**. As described below, Hartree is a secured lender of Baffinland, and this agreement was entered into concurrently with the Credit Agreement (defined below). The Hartree Marketing Agreement has a five-year term, but is not yet in effect.[3]

54. Although Baffinland enters into sales agreements for iron ore with buyers, buyers do not pay Baffinland directly. Instead, Baffinland's sales agreements generally are assigned to IRH, and Baffinland generally receives payment for its iron ore through an offtake arrangement with IRH, as described below.

(vi) Offtake Arrangement

55. As described above, the Mine's remote location limits shipping to approximately three to four months per year, preventing Baffinland from relying solely on its sales agreements to end customers to generate year-round cash flow. To address this constraint, Baffinland has negotiated a bespoke offtake arrangement with IRH, which is currently Baffinland's primary source of operating cash-flow.

56. The IRH offtake arrangement operates as follows. Iron ore is transported on the Tote Road from the Mine to Milne Port and deposited onto a stockpile, at which point title transfers to IRH. IRH purchases the iron ore from Baffinland, as principal, for on-sale to end customers, and makes

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3 It will commence on the earliest of: (a) January 1, 2029; (b) termination of the Glencore Marketing Agreement; and (c) the date on which 2 Mtpa of iron ore produced from the Mine is not subject to the Glencore Marketing Agreement.

a provisional payment equal to 85% of the market price based on established pricing indices. Payment occurs every fourteen days. Baffinland assigns sales contracts with end-customers, representing the majority of its throughput tonnage, to IRH pursuant to limited delegation and assignment agreements. Payments upon delivery of product to end customers for such assigned contracts are made by the end customers to IRH. For all other sales contracts, Baffinland re-purchases the product from IRH prior to delivery and sale to end customers.

57. IRH is entitled to a stocking charge, which is based upon the “Secured Overnight Financing Rate”, together with a premium reflecting the cost of funds, on the sales amounts for product at various stockpiles, from the time of purchase to the time of receipt of payments from end customers or Baffinland (in respect of re-purchased product).

58. The offtake arrangement also contains several guardrails to manage pricing risk. Because of the potentially significant duration between when IRH purchases iron ore and when it is on-sold, IRH and Baffinland mark-to-market the provisional payments in respect of stockpiled iron ore twice per month. Under the mark-to-market mechanism, if the price of iron ore increases, IRH makes a top-up payment to Baffinland; if the price decreases, Baffinland makes a payment to IRH. The parties have entered into a payment and netting agreement to net the mark-to-market payments against those for fresh haulage. IRH is not required to pay provisional invoices if its exposure (i.e., iron ore that it has purchased but for which it has not received payment) would exceed $350 million. A mechanism for hedging the iron ore deliveries also exists within the arrangement whereby BIM and IRH can fix the floating component of the iron ore price on an *ad hoc* basis for part or all of the total quantity.

59. Baffinland administers all transport of the iron ore in bulk carriers (excluding free on board sales) from Milne Inlet port to destination ports predominantly located in Europe through long term

and annual contract of affreightment arrangements consistent with Arctic ice and Canadian and International marine shipping requirements.

60. The offtake arrangements are entered into annually and the current term expires on October 31, 2026. At the end of each term, IRH can require Baffinland to repurchase any remaining ore on the stockpile.

61. The offtake arrangements are reflected in a series of agreements (collectively, the "**Offtake Agreements**"). Each agreement is described below:

(a) Committed offtake sales contract effective November 1, 2025 (and amended on February 17, 2026) between Baffinland and IRH – the main sales contract pursuant to which IRH purchases ore from Baffinland;

(b) Shipping services agreement effective November 1, 2025 between Baffinland and IRH – the contract pursuant to which Baffinland arranges for shipping of iron ore owned by IRH to buyers;

(c) Payment and netting agreement effective November 1, 2025 between Baffinland and IRH (and amended on February 17, 2026) – the agreement pursuant to which payments between Baffinland and IRH are netted;

(d) Repurchase agreement in respect of iron ore effective November 1, 2025 between Baffinland and IRH – the agreement pursuant to which Baffinland will repurchase iron ore at the end of the term that is not subject to a purchase agreement between IRH and a buyer;

(e) Fixed Price Addendum effective November 1, 2025 (and amended on February 17, 2026) between Baffinland and IRH – the agreement pursuant to which

Baffinland is able to hedge the floating price component of its iron ore deliveries to IRH; and

(f) Various Assignment Agreements between Baffinland and IRH relating to the assignment, from Baffinland to IRH, of delivery obligations and rights to receive payments.

(vii) Fuel Supply and Fuel Agreements

62. Baffinland purchases its entire annual fuel supply during the July-to-October shipping season, which is the only period when sea ice retreats sufficiently to permit vessel passage to the mine site. Sealift is the sole practical means of transporting bulk commodities such as fuel to Nunavut. All arctic diesel required to power the Mine's heavy equipment, generators, heating systems, and vehicles for the full year must be delivered during this window and stockpiled on-site. If Baffinland does not receive its full annual fuel allotment during the shipping season, there is no viable fallback. Air freight is the only alternative and is economically prohibitive for bulk fuel volumes. A fuel shortfall does not merely raise costs — it can force a partial or complete shutdown of mining operations, with cascading consequences for production, revenue, and employment.

63. On November 24, 2025, BIM LP entered into a Right to Supply Fuel and Advisory Services Agreement (the "**Fuel Supply Agreement**") with Hartree and Kildair Services ULC ("**Kildair**"), an entity indirectly controlled by Hartree Partners GP, LLC, in connection with the refinancing of the Credit Facility described below. A copy of the Fuel Supply Agreement is attached as **Exhibit "I"** to my Affidavit.

64. Under the Fuel Supply Agreement, Kildair has both a right of first refusal and a right of last offer to supply all fuel required by Baffinland for its operations at the Mine at prevailing market prices. The term runs for the longer of (a) five years from February 15, 2026, or (b) until Baffinland

has offered to purchase an aggregate of 300 million litres of fuel from Kildair. Prior to entering into the Fuel Supply Agreement, Baffinland acquired its fuel through a fuel logistics company called World Fuel Services.

65. Hartree is entitled to an advisory fee equal to 2% of the fully loaded cost of all fuel purchased for the Mine (excluding taxes and financing costs), plus 50% of any cost savings relative to the 2025 fuel price index, subject to certain adjustments. The fee is subject to guaranteed minimums of $1.75 million per year and $15 million in aggregate over the term of the Fuel Supply Agreement.

66. Baffinland's fuel supply challenge is amplified by the ongoing crisis in the Middle East, which has disrupted oil supply and increased prices for the fuel that Baffinland requires. Baffinland does not have sufficient funds to finance its fuel needs, particularly given that prevailing market prices have surged 50–70% or more since January 2026.

(viii) Access and Mining Rights

67. Baffinland's operations are located on both Crown land and Inuit-owned land, requiring approvals from both the Government of Canada and relevant Inuit organizations. Baffinland's Crown land and Inuit land rights are summarized below.

68. Access to Inuit-owned land is coordinated through the Qikiqtani Inuit Association, located in Iqaluit. On September 6, 2013, the Qikiqtani Inuit Association (as landlord) and BIM Corp. (as tenant) entered into Commercial Lease for Inuit Owned Lands No. Q13C301, which has a 30-year term expiring on December 31, 2043, with options to extend for additional 30-year periods subject to meeting specified conditions. The leased area encompasses the vast majority of the current Mine operations, including the mine site, Milne Port, and most of the Tote Road.

69. Baffinland and 123 Canada Inc.'s mining rights cover approximately 352,937 hectares, comprising (collectively, the "**Mining Rights**"):

(a) *Mining Leases:* Mining leases provide the right to extract and produce minerals commercially. Baffinland holds 44 mining leases and 123 Canada Inc. holds 23 mining leases, covering approximately 57,788 hectares in total. These leases were granted by the Government of Canada under the *Nunavut Mining Regulations*. Each lease has a 21-year term.

(b) *Mineral Claims:* Mineral claims provide the right to explore for minerals in a defined area. Baffinland holds 156 mineral claims and 123 Canada Inc. holds 42 mineral claims covering approximately 262,012 hectares in total. These claims are recorded under the *Nunavut Mining Regulations* and have 30-year terms.

(c) *Exploration Agreements:* Pursuant to three mineral exploration agreements with Nunavut Tunngavik Inc., Baffinland has a contractual right to progressively acquire a 100% interest in three designated exploration areas totalling 33,137 hectares by meeting certain expenditure and payment requirements. These agreements have 20-year terms.

70. Baffinland is also party to Land Lease 47H/16-1-2, dated July 1, 2014 with the Crown as landlord, as amended by lease amendment 47H/16-1-5. The lease expires on June 30, 2035 and grants Baffinland access to the foreshore lands at Milne Port for the construction, operation, maintenance, and reclamation of the ore dock. The ore dock is used to load iron ore onto large freighters for shipping.

(ix) Benefits Agreement

71. The Qikiqtani Inuit Association are responsible for negotiating and entering into impact and benefit agreements with major project proponents on behalf of Nunavut Inuit in the Qikiqtani region. BIM Corp. and the Qikiqtani Inuit Association signed an Inuit impact and benefits agreement (the "**Benefits Agreement**") on September 6, 2013 (subsequently amended, with the current version dated October 22, 2018). The underlying principle of the Benefits Agreement is mutual benefit, collaboration, and consultation for both Inuit and Baffinland from the Mine.

72. The Benefits Agreement addresses both the impacts on Inuit and the benefits and opportunities flowing from the Mine. Its key provisions cover financial participation, including quarterly royalties of at least C$1.25 million, as well as Inuit priority employment, education and training, contracting opportunities for Inuit firms, joint governance through an Executive Committee and Management Committee,[4] and additional matters such as wildlife compensation, shipping, cultural awareness, and dispute resolution. The Debtors intend to continue paying amounts owing under the Benefits Agreement during the course of the CCAA proceeding, if the Initial Order is granted.

(x) Royalty Agreements

73. Baffinland is party to two royalty agreements with shareholders of NIO (or their affiliates), pursuant to which Baffinland granted interests in the Mine in exchange for funding contributions (collectively, the "**Royalty Agreements**"). Copies of the Royalty Agreements are attached to my Affidavit as **Exhibit "J"** and **Exhibit "K"**. The Royalty Agreements have been registered on title to the Mining Rights held by Baffinland.

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[4] These committees do not make operational decisions for Baffinland but are instead focused on overseeing and implementing the Benefits Agreement.

74. The first Royalty Agreement was entered into on March 25, 2024 with 15877580 Canada Inc. (an affiliate of EMG), ArcelorMittal Canada Inc., 15877563 Canada Inc., and 15877482 Canada Inc., pursuant to which Baffinland received aggregate funding of $100 million. The second was entered into on December 23, 2024 with 16572367 Canada Inc. (an affiliate of EMG), 15877563 Canada Inc., and 15877482 Canada Inc. pursuant to which Baffinland received aggregate funding of $200 million. Under both Royalty Agreements, Baffinland is obligated to pay a royalty of $0.50 per dmt of iron ore shipped from Milne Inlet, payable quarterly. If the Steensby Railway is completed, the royalty will also apply at the same rate to product shipped from Steensby port and include a royalty in the amount of (a) 3.125% of freight on board revenue under the first Royalty Agreement and (b) 1.875% of freight on board revenue under the second Royalty Agreement upon the substantial completion of the Steensby port. As noted above, production is projected to increase to 22 million tonnes per annum upon completion of the Steensby Railway. In addition, both Royalty Agreements include repurchase rights that allow Baffinland to repurchase a portion of the royalties provided certain milestones are met, which milestones differ between the Royalty Agreements but include milestones regarding completion of the Steensby Railway and certain shipping thresholds being met for consecutive days.

75. Under the terms of its Credit Facility (defined and described below), Baffinland is prohibited from making payments under the Royalty Agreements. The amount of C$3.1 million has accrued under the Royalty Agreements to date.

(xi) Employees

76. Baffinland employs approximately 1,200 people, including approximately 300 Inuit employees, making it the largest private sector employer in Nunavut. Of these employees, approximately 370 are salaried and 830 are hourly unionized employees represented by the International Union of Operating Engineers, Local 793. Approximately 1,088 employees are

based at the Mine and 112 are based at Baffinland’s head office in Oakville, Ontario. The legal entity that employs these employees is BIM LP.

77. Baffinland's workforce is comprised of skilled workers from southern Canada and workers from nearby localities in Nunavut. The company’s Nunavut mining operations are conducted on a fly-in/fly-out basis, which is standard for northern Canadian mining operations. Employees at the Mine work 12-hour shifts on a 21-day-on/21-day-off rotation. The workforce typically peaks during the summer shipping season, from approximately mid-July to mid-October, when port and reclaim operations are fully staffed, and decreases by approximately 50 to 60 personnel during the remainder of the year. Staffing levels at the Oakville office generally remain constant year-round.

78. Certain of Baffinland’s employees participate in a long-term incentive program (the “**LTIP**”), which is designed to attract and retain senior management personnel and to motivate their continued efforts by providing long-term incentive compensation. Under the LTIP, Baffinland's compensation committee grants participants “Restricted Retention Awards,” which are cash awards (not equity) calculated as a percentage of the participant's salary and denominated at a fixed dollar amount.

79. Each award vests in three instalments: one-third on the first anniversary of the grant date, one-third on the second anniversary, and the final third on the first day of December following the second anniversary. The compensation committee retains discretion to accelerate vesting. Payment is made in cash within 30 days of each vesting date, provided that the employee remains actively employed on the applicable payment date. The amounts payable under the LTIP forms part of the compensation payable to the employees who participate in the plan. Accordingly, the Debtors intend to continue making payments under the LTIP during the course of the CCAA proceedings, if the Initial Order is granted.

80. Baffinland's employees also participate in a short-term incentive plan (the "**STIP**"), intended to reward employees for their performance and contributions each year. An employee's potential payment is based on an assigned STIP target, expressed as a percentage of base salary, and the final amount is determined by performance across three weighted components: (a) Baffinland's performance, (b) individual performance, and (c) leadership competencies. Payments are made as a lump sum bonus and are calculated on base salary only although some payments may also be pro-rated for employees who do not work the full plan period or who change roles during the year. Employees must be actively employed at the time of payment, and employees who are no longer actively employed or who receive a rating of 1 in either individual performance or leadership competencies are not eligible to receive a STIP payment. The amounts payable under the STIP forms part of the compensation payable to the employees who participate in the plan. Accordingly, the Debtors intend to continue making payments under the STIP during the course of the CCAA proceedings, if the Initial Order is granted.

(xii) Cash Management System

81. The Debtors use a cash management system (the "**Cash Management System**") to collect, transfer and disburse funds generated by their operations.

82. The Debtors maintain bank accounts with Toronto-Dominion Bank ("**TD Bank**"), the Bank of Nova Scotia ("**BNS**"), and the Canadian Imperial Bank of Commerce ("**CIBC**").

83. An overview of the Debtors' principal banking relationships is as follows:

(a) TD Bank accounts, which serve as the primary operating accounts for BIM LP and BIM Corp. BIM LP maintains six TD Bank accounts and BIM Corp. maintains three TD Bank accounts at 55 King Street West, Toronto, Ontario. These accounts are used to collect revenue from iron ore sales, fund operational expenditures related to the Mine, and manage intercompany transfers. NIO also maintains two bank accounts at TD Bank. NIO's bank accounts are predominantly to manage NIO's working capital needs and other costs incurred by NIO in carrying out its duties as they relate to Baffinland.

(b) BNS accounts, which hold cash collateral securing certain letters of credit. BIM LP maintains one account and BIM Corp. maintains one account with BNS at 4715 Tahoe Blvd., 3rd Floor, Mississauga, Ontario; and

(c) A CIBC account, maintained by BIM Corp. at Commerce Court, 199 Bay Street, Toronto, Ontario, which holds cash collateral securing certain letters of credit. The letters of credit are described below under "Letters of Credit".

84. 123 Canada Inc. does not maintain its own separate bank account. Any payments specific to 123 Canada Inc. are funded by BIM LP, and a corresponding intercompany payable and receivable is recorded.

C. THE FINANCIAL POSITION OF THE DEBTORS

(i) Financial Statements

85. The Debtors' most recent audited consolidated financial statements, for the year ended December 31, 2025, are attached as **Exhibit "L"** to this Affidavit. NIO, on a consolidated basis, reported a net loss of $545.1 million for that period. This figure, however, includes a $423 million goodwill impairment loss relating to the value of the Mine. Since NIO's consolidated financial statements include a significant non-cash impairment charge, Baffinland's and 123 Canada Inc.'s consolidated financial statements more accurately represent the Debtors' operating financial position and are therefore used for the purposes of this Affidavit. These financial statements are summarized below.

(a) Assets

86. As at December 31, 2025, Baffinland and 123 Canada Inc.'s total assets, on a consolidated basis, were $2,685.9 million and consisted of the following:

	December 31, 2025 ($ in millions)
Current Assets	
Cash	$7.6
Restricted cash & cash equivalents	$4.6
Short-term investments	$3.9
Trade and other receivables	$77.4
Inventories	$363.0
Prepaid and other expenses and deferred financing costs	$15.5
Total Current Assets	**$472.0**
Non-Current Assets	
Restricted cash & cash equivalents	$3.3
Mining interests	$725.3
Exploration and evaluation assets	$59.0
Property, plant and equipment	$1,301.1
Other assets	$42.0
Long-term ore inventory	$27.3
Goodwill	$55.9
Total Assets	**$2,685.9**

(b) Liabilities

87. As at December 31, 2025, Baffinland and 123 Canada Inc.'s total liabilities, on a consolidated basis, were $1,460.6 million, and consisted of the following:

	December 31, 2025 ($ in millions)
Current Liabilities	
Accounts payable and accrued liabilities	$229.9
Deferred revenue	$223.6
Debt	$775.5
Lease liabilities	$3.7
Rehabilitation provision	$0.3
Total Current Liabilities	**$1,233.0**
Non-Current Liabilities	

	December 31, 2025 ($ in millions)
Debt	$ -
Lease liabilities	$7.6
Rehabilitation provision	$76.7
Deferred gain on partial disposition of mining interest	$74.4
Deferred tax liabilities	$68.9
Total Liabilities	**$1,460.6**

88. For the year ended December 31, 2025, Baffinland and 123 Canada Inc. reported a net loss of $102.4 million, with current liabilities exceeding current assets by $761 million, primarily as a result of long-term secured debt coming due and being reclassified as a current liability.

D. INDEBTEDNESS OF THE DEBTORS

(i) Secured Obligations

89. Baffinland's secured debt totals approximately $777 million in the aggregate principal amount. This debt is primarily owing to (a) holders of senior secured notes due 2026, (b) Opps XII BLIM Holdings, L.P., an entity affiliated with Oaktree Capital Management LP ("**Oaktree**"), and Hartree under a loan and letter of credit facility, and (c) Export Development Canada ("**EDC**") under a term loan facility, each as described further below.

90. Copies of summaries of personal property security searches in Ontario and Nunavut in respect of each of the Debtors dated April 5, 2026 and April 3, 2026, respectively, are attached to my Affidavit as **Exhibits "M"** to **Exhibit "Q"** (collectively, the "**PPSA Search Summaries**"). There are no security registrations for NIO in Nunavut, and for 123 Canada Inc. in either Ontario or Nunavut.

91. The secured debt and its respective priority rankings on a distribution, pursuant to the Intercreditor Agreement (defined below) are summarized in the below chart and detailed further below:

	Secured Debt	Total Principal Amount
First	Oaktree and Hartree under the Credit Facility	$126.5 million
Second (pari passu with the Holders of the Senior Secured Notes due 2026)	EDC	$75 million
Second (pari passu with EDC)	Holders of Senior Secured Notes due 2026	$575 million

(a) 8.75% Senior Secured Notes Due 2026

92. On June 27, 2018, Baffinland issued $575 million aggregate principal amount of 8.75% senior secured notes due 2026 (the "**2026 Notes**"). Wilmington Trust, National Association is the trustee and collateral agent. $25 million in interest on the 2026 Notes is payable on January 15 and July 15 of each year. The 2026 Notes mature July 15, 2026. Attached as **Exhibit "R"** to my Affidavit is the indenture in respect of the 2026 Notes. Pursuant to the Intercreditor Agreement (defined below), the 2026 Notes rank on a *pari passu* basis with the EDC Term Facility (defined below).

93. The 2026 Notes are senior secured obligations of Baffinland and, subject to certain limited exceptions, are secured by a charge over all the assets of Baffinland pursuant to a General Security and Pledge Agreement dated June 27, 2018. In addition, NIO has provided a limited recourse guarantee of Baffinland's obligations under the 2026 Notes, secured by a pledge of its interest in the shares of BIM Corp. and limited partnership units in BIM LP. The security documents provided by Baffinland and NIO in connection with the 2026 Notes are attached as **Exhibit "S"** to my Affidavit.

94. Baffinland is in default under the 2026 Notes as a result of a cross-default that has occurred under the Credit Facility, which is described below.

(b) Credit Facility

95. On May 26, 2017, Baffinland entered into a revolving credit facility with a syndicate of institutional bank lenders (the "**Credit Facility**"). The Credit Facility initially established a $45 million facility to support working capital management, including the issuance of letters of credit.

96. The credit agreement in respect of the Credit Facility was subsequently amended six times. Pursuant to the most recent amendment, dated November 24, 2025, the Credit Facility was assigned to Oaktree and Hartree and the following material changes were made: (a) all outstanding revolving borrowings, totalling $126.5 million, were converted into a term loan and the revolving commitments were permanently terminated; (b) outstanding letters of credit with an aggregate face amount of C$40.1 million were extended to October 21, 2026; (c) additional letters of credit with an aggregate face amount of C$35.1 million were issued; and (d) the interest rate was increased from adjusted term SOFR plus 5.50% to adjusted term SOFR plus 16.75% for SOFR Loans (with 7% to be deferred), and the default interest rate was increased from 2% to 5%. In connection with the amendment to the Credit Facility, Baffinland also entered into a fuel supply and advisory services agreement, and a marketing services agreement, with Hartree, both as described above. The Credit Agreement, as amended, is attached to my Affidavit as **Exhibit "T"**.

97. The Credit Facility bears interest at an indexed rate plus 15.75% or 16.75%, depending on the loan. As at March 31, 2026, the effective interest rate was 20.52%, comprising 13.52% payable in cash and 7% deferred.

98. There are no further borrowings available under the Credit Facility. Baffinland pays approximately $2.5 million per month in interest under the Credit Facility comprised of approximately $1.3 million to $1.7 million payable in cash with approximately $0.7 million to $0.9 million deferred.

99. The obligations under the Credit Facility are secured by, among other things:

(a) a General Security and Pledge Agreement dated May 26, 2017 between Baffinland, as borrowers, and the collateral agent, pursuant to which the borrowers granted a security interest, subject to limited exceptions, in all of their present and after-acquired personal property;

(b) a Debenture dated May 26, 2017 granted by Baffinland in favour of the collateral agent, which grants (i) a first fixed and specific mortgage and charge on Baffinland's mineral rights, and (ii) a first floating mortgage, charge and security interest in all of Baffinland's other mineral properties and collateral;

(c) a Leasehold Mortgage Agreement dated May 26, 2017 granted by Baffinland in respect of its leasehold interests in Nunavut; and

(d) various other security documents, including issuer control agreements and a confirmation of security interest in trademark applications.

100. In addition, NIO has provided a limited recourse guarantee of those obligations, secured by a pledge of its interest in the shares of BIM Corp. and limited partnership units in BIM LP. The security documents provided by Baffinland and NIO in connection with the Credit Agreement are attached as **Exhibit "U"** to my Affidavit and grant Oaktree and Hartree a first-ranking security interest in the assets of Baffinland.

101. The Credit Facility had an original maturity date of May 31, 2027. However, as a result of Baffinland's failure to pay down the 2026 Notes by March 31, 2026, the maturity date was automatically accelerated to June 30, 2026.

102. Baffinland is currently in default under the Credit Facility as a result of its failure to receive an equity contribution or asset sale proceeds of at least $75 million on or before February 28, 2026. On March 16, 2026, Baffinland, Oaktree, Hartree, and Alter Domus (US) LLC, in its capacity as administrative agent under the Credit Facility, entered into a limited waiver of this default and waived the acceleration of the maturity date. That waiver was subsequently extended by "Limited Waiver No. 2" through May 31, 2026, subject to certain conditions, a copy of which is attached to my Affidavit as **Exhibit "V"**.

103. The waiver required Baffinland to launch a recapitalization offer to recapitalize the 2026 Notes by April 30, 2026. The recapitalization transaction was not completed by this deadline. As a result, the Limited Waiver No. 2 expired, the previously waived defaults under the Credit Facility are no longer waived, and Baffinland is in breach of the Credit Facility.

(c) EDC Term Facility

104. On October 7, 2022, Baffinland entered into a credit agreement with EDC for a $75 million term credit facility to fund working capital and general corporate purposes (the "**EDC Term Facility**"). The EDC Term Facility is fully drawn and bears interest at a rate equal to SOFR plus 6.0% payable at the end of each quarter. Baffinland pays approximately $0.7 million per month in interest under the EDC Term Facility. The EDC Term Facility ranks *pari passu* with the 2026 Notes but junior to the Credit Facility.

105. The EDC Term Facility was initially secured only against certain fuel owned by Baffinland. On November 24, 2025, Baffinland entered into a fourth amendment to the EDC Term Facility, which made two principal changes. First, the maturity date was aligned with that of the Credit Agreement. Second, the collateral securing the EDC Term Facility was expanded to include all of Baffinland's assets, together with a limited recourse guarantee by NIO secured by a pledge of NIO's interest in the shares of BIM Corp. and limited partnership units in BIM LP. The EDC Term

Facility and the fourth amendment are attached to my Affidavit as **Exhibit "W".** The security granted to EDC is attached to my Affidavit as **Exhibit "X"**.

106. The EDC Term Facility originally had a maturity date of May 31, 2027. However, similar to the Credit Facility, the maturity date was automatically accelerated to June 30, 2026 as a result of Baffinland's failure to pay down the 2026 Notes by March 31, 2026. The accelerated maturity date has not been waived by EDC.

107. On March 31, 2026, EDC sent a notice of default to Baffinland advising that certain events of default had occurred and were continuing under the EDC Term Facility. The events of default related to (a) certain financial obligations arising from federal greenhouse gas pollution pricing; and (b) the granting of additional rights to Oaktree and Hartree under the first waiver to the Credit Agreement. Baffinland's position was that the alleged breaches did not in fact constitute breaches of the EDC Term Facility.

108. The default under the Credit Facility also constitutes an event of default under the EDC Term Facility.

(d) Intercreditor Agreement

109. Wilmington Trust, National Association acts as collateral agent for the holders of the 2026 Notes, for Oaktree, and for Hartree under the Credit Facility and EDC, respectively. In each of those capacities, Wilmington Trust is a party to an intercreditor agreement dated June 27, 2018 (the "**Intercreditor Agreement**"). A copy of the Intercreditor Agreement, together with a joinder agreement dated November 24, 2025, is attached to my Affidavit as **Exhibit "Y".**

110. The Intercreditor Agreement establishes, among other things, a multi-tiered waterfall for the distribution of proceeds. The waterfall applies upon enforcement of remedies following an event of default under the 2026 Notes, the Credit Facility or the EDC Term Facility and in any

distribution made in respect of any insolvency or liquidation proceedings. Specifically, it requires that any payment of amounts outstanding under the Credit Facility shall be made prior to the payment of the amounts outstanding under the 2026 Notes and EDC Term Facility, which rank *pari passu*.

(ii) Letters of Credit

111. Baffinland has approximately C$150 million in aggregate obligations outstanding under 19 letters of credit (collectively, the "**Letters of Credit**") issued by three banks: CIBC, Bank of Montreal ("**BMO**") and BNS. The beneficiaries of the Letters of Credit are the Qikiqtani Inuit Association, the Minister of Northern Affairs and Northern Development Canada, and the Department of Fisheries and Oceans. The majority of the Letters of Credit serve as financial assurance required under Baffinland's commercial lease with the Qikiqtani Inuit Association and its water licence, and are intended to fund environmental reclamation costs associated with the rehabilitation of disturbed land in the event that Baffinland abandons the Mine property or the Milne Inlet port.

112. Security for the Letters of Credit is provided as follows:

(a) One Letter of Credit is currently secured, in part, by a guarantee by Arcelor;

(b) Approximately C$75 million of the Letters of Credit are issued by BMO and are secured under the Credit Facility made available by Oaktree and Hartree. If those Letters of Credit are drawn upon, the amounts outstanding under the Credit Facility will increase accordingly;

(c) Certain of the Letters of Credit are cash-collateralised, in whole or in part, with cash collateral held in Baffinland's accounts at BNS and CIBC; and

(d) Certain Letters of Credit are secured by a surety bond from Liberty Mutual – although Liberty Mutual has only bonded 70% of the amounts owing because 30% are cash collateralized with the cash held in the CIBC bank accounts.

(iii) Other Secured Obligations

113. The PPSA Search Summaries show that in addition to the secured parties identified above, the following parties have security registrations against the Debtors::

Party	Details
Caterpillar Financial Services Limited and Caterpillar Financial Services Leasing ULC	Registrations made in connection with a master lease between Baffinland and Caterpillar dated September 13, 2019, pursuant to which Baffinland leases mining equipment from time to time. These equipment leases were paid off in April 2026.
Macquarie Equipment Finance Ltd	Registrations made in connection with a master lease between Baffinland and Macquarie dated September 5, 2024, pursuant to which Baffinland leases mining equipment from time to time.
IRH Global Trading Ltd.	Registrations made in connection with the offtake agreement between Baffinland and IRH dated January 30, 2025.
Glencore AG	Registration made in connection with the Purchase and Sale Agreement between Glencore and Baffinland dated June 5, 2020 (described below) regarding "unscreened lump" being mined and sold to Glencore, but left in the possession of Baffinland.
Wajax Limited	Registrations made in connection with certain motor vehicles collateral located in Ontario.
Bank of Nova Scotia; Canadian Imperial Bank of Commerce	Registrations made in connection with cash collateral held in accounts at these institutions.
De Lage Landen Financial Services Canada Inc.	Registration made in connection with certain office equipment for Oakville office.
AMMC Baffinland Holdco Inc.	This is a legacy registration. There are no debts outstanding to this party.

(iv) Unsecured Obligations

(a) Glencore Obligations

(i) Glencore Unscreened Lump Agreements

114. On June 5, 2020, Baffinland and Glencore entered into a purchase and sale agreement and a processing and transport agreement, copies of which are attached as **Exhibit "Z"** and **Exhibit "AA"**. Pursuant to these agreements, Baffinland sold 5 million wmt of unprocessed ore from the Mine, known as "unscreened lump" ("**USL**"), to Glencore for provisional payments totalling approximately $110 million. In return, Baffinland agreed to transport the USL from the mine to the Milne Inlet port, process it, and load the finished product onto ships between June 5, 2023 and June 5, 2025. Glencore is obligated to resell the processed USL and remit the sale proceeds to Baffinland, less certain agreed amounts. Depending on prevailing iron ore prices at the time of sale, Baffinland may be entitled to a significant true-up payment well above the $110 million already received.

115. Title to the USL has transferred to Glencore. The USL has been mined and stockpiled at the Mine site, but it has not been processed or transported to Milne Inlet port. Baffinland has been unable to perform its obligations due to its liquidity and permitting constraints, and Glencore has put Baffinland on notice of this non-performance.

(ii) Glencore Pre-Sale Agreement

116. On December 9, 2020, NIO and Glencore entered into a commercial pre-sales purchase and sale agreement for iron ore, under which NIO agreed to sell Glencore 6 million wmt of iron ore at a rate of 1 million wmt per year, commencing July 2023, through back-to-back intercompany sales agreements with Baffinland. The purchase price was tied to the price at which Glencore would resell the iron ore.

117. The parties also agreed to a prepayment facility under which Glencore agreed to prepay for future deliveries. NIO has received a prepayment of $50 million, which amount continues to accrue interest. A portion of the prepayment facility providing for prepayments of an additional $250 million was cancelled as a result of the rejection of the permit for Milne Railway. To date, NIO has not entered into any back-to-back sales agreements with Baffinland, nor has it delivered any iron ore to Glencore.

(b) 2029 Notes

118. On September 11, 2020, NIO entered into a note purchase agreement pursuant to which NIO sold senior notes in an aggregate principal amount of $164.5 million, due 2029. On September 16, 2020, NIO entered into a second note purchase agreement pursuant to which NIO sold additional senior notes in an aggregate principal amount of $249.0 million, due 2029. The senior notes issued under both agreements are referred to collectively as the "**2029 Notes**." As of December 31, 2025, NIO had issued a total of $230.9 million in 2029 Notes, net of $4.9 million in issuance costs.

119. The 2029 Notes bear interest at 12% per annum, payable semi-annually on June 15 and December 15. Under the terms of the 2029 Notes, NIO may defer all or part of the accrued interest for any interest period. Interest accrued from June 2023 to June 2025 on the 2029 Notes remained unpaid and was deferred as of December 2025. Total deferred interest as of December 31, 2025 was $81.7 million.

(c) Promissory Notes and other liability

120. On October 14, 2022, NIO executed two subordinated promissory notes in favour of Arcelor in the amounts of $19.7 million and $8.2 million. While EMG Operator is the current operator under the Operating Agreement described under the "Corporate Governance" heading

in paragraph 28 above, Arcelor was a sole operator under that agreement until August 2016 and a joint operator under that agreement until June 30, 2018.

121. These promissory notes were established in respect of the aggregate amount of operator fees that were waived for the periods during which Arcelor acted as sole operator or joint operator of the Mine.

122. These promissory notes and other liabilities are non-interest-bearing and payable on demand, subject to the terms of the promissory notes and a letter agreement among NIO's shareholders. Certain conditions must be satisfied before any payment can be demanded.

(d) Toromont Industries Ltd. and Toromont Arctic Limited

123. Baffinland is party to a master services and parts agreement with Toromont Arctic Limited ("**Toromont**") pursuant to which Toromont maintains parts inventory and personnel on site at the Mine to service Baffinland's caterpillar equipment.

124. In March 2026, Toromont Industries Ltd. (acting on behalf of Toromont) filed a claim of lien under the Nunavut *Miners Lien Act* against BIM Corp. in the amount of approximately C$17.1 million for payments owing for the supply of parts, labour, and capital tools to maintain certain equipment at the Mine between July 31, 2025 and March 4, 2026. The lien is registered against Baffinland's mining leases and associated mining claims.

(e) Obligations owing under the *Greenhouse Gas Pollution Pricing Act*

125. Environment and Climate Change Canada alleges that Baffinland owes C$38.7 million under the Federal Output-Based Pricing System, which is a Canadian regulatory program designed to incentivize emission reductions. The *Greenhouse Gas Pollution Pricing Act* establishes the overarching legal framework for carbon pricing in Canada and the *Output-Based*

Pricing System Regulations define performance standards and the compliance mechanisms. The alleged amount owing includes a charge (equivalent to a federal carbon price) for emitting more than their allocated standard under the applicable regulations.

(f) Other Unsecured Obligations

126. Baffinland's accounts payable balance is approximately $87 million as of May 4, 2026. This amount includes approximately $30 million payable in connection with fuel provided to it during the 2025 shipping season, as well as amounts owing to other suppliers for goods delivered during 2025.

E. BAFFINLAND'S FINANCIAL DIFFICULTIES

(i) Source of Baffinland's Financial Difficulties

127. Baffinland's financial difficulties are the product of several converging factors: (a) significant capital expenditures and commitments in connection with the construction of the Milne Railway and the unexpected regulatory disapproval of the Milne Railway, (b) high debt-servicing costs from substantial outstanding indebtedness, (c) constrained transportation and shipping limits, and (d) the high operating costs associated with a trucking operation and mining in a very remote location.

128. A central cause of the Debtors' financial distress is the over $1.06 billion spent between 2017 and 2022 on capital expenditures for the Milne Railway. Regulatory approval for the Milne Railway was expected in 2019, with construction to be completed by 2021. In reliance on that anticipated timeline, the Debtors entered into significant contracts and incurred substantial expenditures well in advance of receiving regulatory approval, including contracted construction costs, mobilisation expenses, the purchase of a ship loader to accommodate projected increases in production capacity, the acquisition of cold-climate-retrofitted locomotives, and binding

agreements for railway construction. When the Milne Railway was ultimately rejected by the regulatory authorities, the Debtors were left carrying significant debt attributable to a project that could not proceed.

129. Baffinland’s debt-servicing obligations compound these difficulties. Baffinland currently pays approximately the aggregate amount of $2.5 million a month in interest under the Credit Facility and EDC Term Facility. Additionally, Baffinland pays $25 million bi-annually to the holders of the 2026 Notes. As noted above, Baffinland is in default under the Credit Facility, EDC Term Facility and 2026 Notes.

130. Baffinland’s transportation and shipping capacity remains constrained. As described above, Baffinland is limited to transporting and shipping 4.2 Mtpa under its existing approvals. While Baffinland has recommitted to building the Steensby Railway, which would materially increase production capacity, it currently lacks the committed capital to meaningfully advance that project.

131. The Mine's remote location results in significant operating costs. As noted, all supplies, fuel, and equipment must be shipped by sea during a narrow summer window, and the workforce must be flown in on a rotational basis from across Canada. As noted above, volatile fuel prices have exacerbated the Debtors’ financial difficulties and have made it difficult to secure the fuel needed for the mine’s operations.

132. The current operations model further requires that iron ore be trucked along the Tote Road to the port at Milne Inlet, which is inherently costly and limits throughput. At the transportation and shipping level of 4.2 Mtpa, revenue generated from the mine is insufficient to cover fixed operating costs and allow the Debtors to service their outstanding debt obligations.

(ii) Measures Undertaken to Address the Debtors' Financial Difficulties

133. In an effort to support their operations and improve liquidity, the Debtors have undertaken a number of cost-reduction and efficiency measures. These include reductions in working capital commitments, renegotiating key supplier contracts and a workforce reduction of more than 20% in 2024.

134. In parallel, the Debtors have actively pursued additional sources of capital to address their liquidity constraints and finance the Steensby Railway.

135. Most notably, Baffinland secured $300 million in funding through the Royalty Agreements, all of which was received by September 30, 2025. In March 2026, NIO issued units to its shareholders for aggregate gross proceeds of approximately $35 million. Baffinland and NIO also undertook a recapitalization transaction in respect of the 2026 Notes maturing on July 15, 2026. The recapitalization transaction was not completed by the April 30, 2026 deadline established under Limited Waiver No. 2 to the Credit Facility.

136. In addition, EDC has expressed its lack of support for the recapitalization transaction. On May 8, 2026, EDC wrote to Baffinland advising that it was not supportive of the recapitalization transaction and would not consent to amend the maturity dates of the EDC Term Facility in furtherance of such a plan. EDC further indicated that it was not supportive of asset sales or other transactions being contemplated by Baffinland and that, in its view, a comprehensive restructuring was required in a formal court-supervised setting. A copy of EDC's letter dated May 8, 2026 is attached to my Affidavit as **Exhibit "BB"**.

137. While some of these efforts have been meaningful, they have proven insufficient to offset the combined effect of high debt-servicing costs and constrained production volumes. The

Debtors' most viable path to long-term financial sustainability is the advancement of the Steensby Railway project, which would increase production capacity at the Mine to up to 22 Mtpa.

138. In 2023, Baffinland retained Cutfield Freeman & Co. Ltd. as financial advisor to develop a debt financing plan and to source project financing for the construction of the Steensby Railway. Meaningful progress has been made on this initiative, including the receipt of letters of support totalling up to $3 billion from global export credit agencies. Baffinland has not, however, been able to secure committed capital to date. The scale of capital required to construct the Steensby Railway and its related infrastructure is substantial, particularly given the Debtors' existing financial strain. In addition, the significant quantum of debt currently carried by the Debtors has made prospective investors reluctant to provide further capital, and the Debtors have been unable to refinance their existing indebtedness on acceptable terms.

(iii) Need for CCAA Protection

139. The Debtors are facing exceptional circumstances that require relief, and their precarious financial position makes it imperative that CCAA protection be granted.

140. Baffinland incurred a net loss of $102.4 million during the year ended December 31, 2025 and, as of that date, their current liabilities exceeded their current assets by $761 million.

141. As noted above, Baffinland is in default under the 2026 Notes, the Credit Agreement and the EDC Term Facility, and the maturity dates of the latter two agreements have been accelerated to June 30, 2026, shortly before the maturity date of the 2026 Notes.

142. Despite the cost-reduction measures and capital-raising efforts described above, the Debtors remain unable to generate sufficient cash flow to cover their fixed operating costs and service their outstanding debt obligations at the current capped production levels. As at May 4,

2026, the Debtors owe approximately $87 million in past-due trade payables. The Debtors do not have sufficient liquidity to repay their obligations.

143. In order to facilitate the necessary 2026 sealift shipments Baffinland requires approximately $100 million in payments to be made, with the bulk of these amounts flowing to suppliers who maintain significant outstanding balances payable by Baffinland. This amount includes fuel needs.

144. The Debtors are currently operating on a week-to-week basis from a cash-flow perspective and they face substantial near-term expenses to procure their annual fuel and supply requirements for shipment commencing in July. At present, they lack sufficient funds to do so. Baffinland must act promptly to secure both committed fuel volumes and vessel capacity at a time when global competition for fuel is intense and availability is uncertain. Any delay risks Baffinland being unable to obtain sufficient fuel, impairing its ability to operate the Mine through the coming year.

145. The Debtors' heavy debt burden has rendered prospective investors unwilling to commit further capital. Absent the protections of the CCAA, the Debtors face the risk that creditors may take enforcement action given the events of default noted above, which would disrupt ongoing operations and diminish the value of the Debtors' assets to the detriment of all stakeholders. This risk is not hypothetical: certain of Baffinland's suppliers and vendors (e.g. Toromont) have already filed liens against Baffinland or placed Baffinland on restricted supply terms.

146. The consequences of inaction extend well beyond the Debtors and their creditors. Baffinland is the largest private sector employer in Nunavut, employing approximately 1,200 people, including approximately 300 Inuit employees. The Mine is of significant economic importance to the Qikiqtani region and to Nunavut more broadly. A disruption to Baffinland's operations would have far-reaching consequences not only for the Debtors' creditors and

stakeholders, but also for the Inuit communities, businesses that provide services to the mine and workers who depend on the continued operation of the Mine.

147. For these reasons, creditor protection under the CCAA is required. The Initial Order is necessary to preserve the going-concern value of the Debtors' business, maintain critical supplier and customer relationships, and ensure that stakeholders' interests are protected in an orderly and transparent process supervised by this Court.

148. If the Initial Order is granted, it will provide the Debtors with the stability and breathing room necessary to continue operations on a going-concern basis, procure their annual fuel and supply requirements and allow them the breathing room to 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 (a "**Strategic Process**").

PART II – RELIEF SOUGHT

A. THE INITIAL ORDER

149. As described in paragraph 4 above, the Applicants seek an Initial Order:

(a) declaring that the Applicants are debtor companies to which the CCAA applies

(b) declaring that BIM LP shall be bound by, and entitled to the protections and benefits of, the Initial Order as though it were an Applicant;

(c) granting a stay of proceedings against the Debtors for an initial period of not more than ten days, subject to further order of this Court;

(d) appointing FTI Consulting Canada Inc. as Monitor of the Debtors;

(e) authorizing the Debtors to continue using their existing Cash Management System;

(f) granting the Administration Charge and D&O Charge and the priorities of such charges; and

(g) setting a date for the Comeback Hearing to be held within ten days of the Initial Order.

(i) Stay of Proceedings

150. The Debtors require a stay of proceedings and the other protections afforded by the CCAA to provide them with the breathing room needed to stabilize their operations and preserve the value of their assets for the benefit of all stakeholders. As noted above, the Debtors have significant overdue trade payables and creditors have begun exercising remedies. A stay of proceedings is necessary to prevent creditors from taking enforcement action against the Debtors while they work to develop and implement a viable plan to address their financial difficulties, including a Strategic Process. It would be highly disruptive and potentially detrimental to the Debtors' restructuring efforts and ongoing mining operations if rights or remedies were executed against them.

151. The Debtors are requesting an initial stay of proceedings for a period of not more than ten days until the Comeback Hearing, at which time the Debtors anticipate requesting a further extension of the stay.

152. With the assistance of FTI, the Debtors have conducted a cash flow analysis to determine the amount required to finance their business operations and the costs of these CCAA proceedings, assuming the Initial Order is granted (the "**Cash Flow Projection**"). I understand that the Cash Flow Projection will be appended to the proposed Monitor's pre-filing report and will demonstrate that the Debtors have sufficient cash to fund their operations and the costs of these

CCAA proceedings during the requested stay period, provided the relief contemplated under the Initial Order and any amended and restated Initial Order, if granted.

(ii) The Monitor

153. Pursuant to the Initial Order, the Applicants are asking this Court to appoint FTI as Monitor. FTI has extensive experience in large and complex insolvency proceedings under the CCAA, including a number of proceedings involving mining and resource companies.

154. I am advised by FTI that it is a “trustee” within the meaning of subsection 2(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, and that it is not otherwise precluded from acting as monitor under subsection 11.7(2) of the CCAA. FTI has consented to act as monitor in these proceedings, if appointed. I am advised by Jeffrey Rosenberg of FTI that a copy of FTI’s consent to act as Monitor in these proceedings will be attached to FTI’s pre-filing report.

(iii) Priority Charges

155. In order to ensure the continued operation of the Debtors during the CCAA proceedings, the Debtors are seeking certain charges over the assets of the Debtors in the following priority: (a) the Administration Charge; and (b) the D&O Charge.

(a) Administration Charge

156. As the Debtors navigate these CCAA proceedings, they will need to rely on their counsel, the Monitor and the proposed Monitor’s counsel. Accordingly, the Debtors are seeking that the proposed Monitor (and its counsel) and counsel to the Debtors be granted an Administration Charge on the present and future assets, property and undertakings of the Debtors as security for any respective fees and disbursements up to a maximum of $2 million for the Initial Order. The Administration Charge is proposed to rank ahead of, and have priority over, the D&O Charge.

157. The Debtors, in consultation with the proposed Monitor, determined the quantum of the Administration Charge required until the Comeback Hearing, having regard for the professionals' accrued fees and retainers. Such quantum is commensurate with the fees and disbursements expected to be incurred by the beneficiaries of the Administration Charge by the Comeback Hearing. The quantum of the Administration Charge is proposed to be increased at the Comeback Hearing.

(b) D&O Charge

158. The Debtors seek a D&O Charge on their assets in favour of their directors, members of the Operating Committee and officers in an amount not to exceed $14 million to indemnify them in respect of liabilities they may incur as directors, members of the Operating Committee and officers during these CCAA proceedings. The D&O Charge will rank behind the Administration Charge. The amount of the D&O Charge represents payroll and vacation pay obligations for Baffinland's employees for the 10-day period between the date of the Initial Order and the Comeback Hearing, which payroll obligations are always one week in arrears.

159. I am advised that the Debtors maintain director and officer insurance but the insurance may include contractual contingencies and uncertainty associated with possible coverage. There are five separate insurance policies held with (i) AIG Insurance Company of Canada (Policy No. 02-123-34-72); (ii) Continental Casualty Company (CNA Canada) (Policy No. MEX 665417673); (iii) Chubb Insurance Company of Canada (Policy No. 99929746); (iv) AXIS Reinsurance Company (Canadian Branch) (Policy No. CTS680535/01/2025); and (v) Liberty Mutual Insurance Company (Policy No. DOTOACKDT9004). Each policy has a limit of liability of $5 million.

160. The insurance policies are structured as an excess liability structure and have a common policy period running from December 1, 2025 to December 1, 2026. The AIG policy serves as the primary layer, subject to a deductible of $250,000. The remaining four policies are "excess follow

form” policies, meaning they adopt the terms, conditions, and limitations of the AIG primary policy unless specifically stated otherwise. Each excess layer sits above the preceding layers and will only respond after the underlying limits have been exhausted by payment of losses. Therefore, I do not believe that the Debtors’ existing director and officer insurance provides sufficient coverage against the potential liability that the directors, members of the Operating Committee and officers could incur in relation to these CCAA proceedings.

161. The Debtors have agreed to indemnify the directors, members of the Operating Committee to the extent they are exercising powers of a director, and officers of the Debtors for all liabilities arising post-filing except due to their gross negligence or wilful misconduct. However, the Debtors do not have sufficient funds to satisfy those indemnities should the directors, members of the Operating Committee or officers be found responsible for potential liabilities. Moreover, the Debtors were unable to obtain adequate additional indemnification insurance at a reasonable cost.

162. I have been advised that certain members of the Operating Committee, along with the directors and officers of the Debtors, are likely to resign if the D&O Charge is not granted. These individuals possess critical institutional knowledge of the Debtors and their operations. In my view, their resignations would complicate these CCAA proceedings and risk destroying value for the stakeholders.

163. As such, the Debtors request that the D&O Charge be granted to protect their directors, members of the Operating Committee acting in the capacity as directors, and officers against obligations and liabilities they may incur to the degree that the Debtors cannot satisfy their indemnification obligations.

164. The quantum of the D&O Charge was determined by the Debtors, in collaboration with the proposed Monitor, and is limited to the indemnification obligations and liabilities that the Debtors’

directors, members of the Operating Committee and officers may face during the initial ten days of these CCAA proceedings and as noted above is almost entirely comprised of payroll obligations. The amount of the D&O Charge is proposed to be increased at the Comeback Hearing, including to include amounts that beneficiaries of such charge may be exposed to for termination and severance obligations.

(iv) Cash Management

165. The Debtors anticipate that, for the period between the date of the Initial Order and the date of the Comeback Hearing, they will continue to utilize the Cash Management System and their existing banking arrangements in the ordinary course of business.

166. The Cash Management System is critical to the orderly management of the Debtors' business affairs, including the continued operation of the Mine. Accordingly, the Debtors are seeking to continue to operate the Cash Management System post-filing in substantially the same manner as before the commencement of these CCAA proceedings.

B. COMEBACK HEARING

167. If the Initial Order is granted, the Debtors are requesting a Comeback Hearing to be scheduled within ten days of the granting of the Initial Order. Subject to any changes that may occur between now and the date of the Comeback Hearing, at the hearing the Debtors intend to seek an amended and restated Initial Order that would, among other things, address the matters more particularly described below.

(i) Extension of the Stay of Proceedings

168. At the Comeback Hearing, the Debtors intend to seek an extension of the stay of proceedings, to provide the Debtors with sufficient time to stabilize their operations, advance their

operational restructuring efforts and develop a Strategic Process designed to maximize value for the benefit of their stakeholders.

(ii) DIP Facility and DIP Charge

169. At the Comeback Hearing, the Debtors intend to seek approval of a debtor-in-possession facility. In anticipation of the Debtors' liquidity needs during the CCAA proceeding, FTI commenced a debtor-in-possession solicitation process, which is still underway. I understand that FTI will be providing details on the DIP solicitation process to the Court in its report on the Comeback Hearing. It is anticipated that the Debtors will enter into a DIP term sheet in advance of the Comeback Hearing and will seek its approval at such hearing.

170. The Debtors require DIP financing to, among other things, provide operating cash, fund the costs of their day-to-day operations, including critical fuel supply costs and other expenses needed for the upcoming sea lift season, and to devise and implement a Strategic Process. A DIP facility is critical to the Debtors' ability to continue operating the Mine and to pursue a value-maximizing transaction for the benefit of all of their stakeholders.

171. The Debtors anticipate that the DIP facility will be secured by a charge over all of their property and will seek this Court's approval of that charge at the Comeback Hearing concurrently with seeking approval of the DIP facility.

(iii) Key Employee Retention Plan and Key Employee Incentive Plan

172. Subject to any changes between now and the Comeback Hearing, the Debtors also intend to seek Court approval of a KERP and/or a KEIP that applies to certain employees and management of the Debtors who are crucial to the continued operation of the Mine and to the Debtors' restructuring efforts, including certain members of the Operating Committee. The parties contemplated to be included in the KERP or KEIP have critical industry and operational

knowledge of the mining operations and key contracts. Given the highly specialized nature of the Debtors' operations, the retention of key personnel is essential. In the absence of a retention plan, it is highly likely these individuals would seek alternative employment, which would significantly impair the Debtors' ability to operate and run a successful Strategic Process.

173. As part of the relief at the Comeback Hearing, the Debtors intend to seek this Court's permission to seal the identities and titles of the recipients of the KERP.

174. At the Comeback Hearing, the Debtors also intend to seek a KERP Charge against the property of the Debtors as security for amounts payable under the KERP.

(iv) Critical Suppliers and Critical Supplier Charge

175. The Debtors intend to seek a declaration that certain suppliers whose continued provision of goods and services is essential to the ongoing operation of the Mine and the safety of its personnel are "critical suppliers" who are entitled to the benefit of a critical supplier charge (the "**Critical Supplier Charge**"). The parties that will be identified as critical suppliers supply goods and services, including the provision of the Letters of Credit, that are essential for ongoing operations at the Mine.

(v) Priority Charges

176. At the Comeback Hearing, subject to any changes, the Debtors intend to seek approval of the following charges over the property of the Debtors, in the following order of priority:

(a) first, an increase in the Administration Charge;

(b) second, an increase in the D&O Charge granted in favour of the Debtors' directors and officers, and the members of the Operating Committee acting in such capacities, to reflect potential exposure to termination and severance liabilities, as well as salary, payroll and related employment obligations.

(c) third, the DIP Charge;

(d) fourth, the KERP Charge; and

(e) fifth, the Critical Supplier Charge.

C. CONCLUSION

177. For the reasons set out above, I believe that the relief requested on this application is in the best interests of the Debtors and their stakeholders.

178. I swear this Affidavit in support of the within application for relief under the CCAA and for no other or improper purpose.

SWORN REMOTELY by Celeste van Tonder at the City of Oakville, in the Province of Ontario before me at the City of Toronto, in Province of Ontario, on the 14th day of May, 2026 in accordance with O. Reg 431/20, *Administering Oath or Declaration Remotely* Sean Monahan	[signature]
SEAN MONAHAN (LSO #87650U) A Commissioner for Taking Affidavits in and for the Province of Ontario	**CELESTE VAN TONDER**

This is Exhibit “D” referred to in the Affidavit of William E. Aziz sworn remotely by William E. Aziz stated as being located in the Town of Oakville, in the Province of Ontario, before me in the City of Toronto, in the Province of Ontario, on August 23, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Sean Monahan

SEAN MONAHAN

LSO# 87650U

SETTLEMENT OF DIP FINANCING LITIGATION

Consensual Approval of EDC DIP Facility with Protections for Senior Secured Lenders and EDC

Key Terms:

- Senior Secured Lenders and EDC will fully support the final approval of the EDC DIP Facility at the hearing on June 30 (the "EDC DIP Order")

- The Senior Secured Lenders and EDC will fully support a court order approving the protections for the Senior Secured Lenders and EDC set out herein, and the Senior Secured Lenders' support for the EDC DIP Order is subject to approval of those protections.

- All litigation steps and related costs on the DIP litigation to be suspended immediately

- Nothing in these settlement terms shall affect any of the protections granted to the Senior Secured Lenders by the Court in the June 11 endorsement through the bridge period (i.e., until the granting of the EDC DIP Order). These settlement terms apply to the period starting on the date of the EDC DIP Order.

- Senior Secured Lenders to file an Aide Memoire in support of the EDC DIP approval, which shall be shared with EDC a reasonable time in advance of service for review and any suggested comments.

Secured Creditor Protections

(a) Consents

The First Secured Lenders and Ad Hoc Committee (the "Senior Secured Lenders") shall have consent rights on the following:

- Any spending of Excess Exploration and Expansion Expenses (as defined in the EDC DIP Facility served on June 8, 2026), unless otherwise approved by the Court on a motion on proper notice.

(b) CRO and Sale Advisor Selection

A Transaction Advisor and a Chief Restructuring Officer/ Advisor shall be selected in a process conducted by the Monitor in accordance with the following terms:

- A transaction advisor shall be selected with the support of EDC and the Senior Secured Lenders in accordance with the terms herein from among the candidates set out in that certain side letter among EDC, the Senior Secured Lenders and the Company dated June 22, 2026 (the "Side Letter"), shall be engaged to assist with the sale and investment solicitation process (the "FA"), in each case as may be approved by the CCAA Court. The selected FA will be supported by the Senior Secured Lenders and EDC if (i) EDC approves of that selection and (ii) one of either (a) Oaktree/Hartree; and (b) Brigade/Polen also supports that selection. If support described in (i) and (ii) above is not achieved, the matter will be submitted to the court on a motion on proper notice for further direction, with a recommendation from the Monitor and all parties retain the right to object in Court.

- The Company shall have the right to interview the candidates for transaction advisor in the presence of the Monitor and to provide the Monitor with its views on the candidates for transaction advisor, so long as that does not delay the selection process. The Company retains the unfettered right to object in Court should it not agree with the transaction advisor selected;

- A chief restructuring officer shall be selected with the support of EDC and the Senior Secured Lenders in accordance with the terms herein from among the identified candidates that has been set out in the Side Letter. The selected Chief Restructuring Officer will be supported by the Senior Secured Lenders and EDC if (i) EDC approves of that selection and (ii) one of either (a) Oaktree/Hartree; and (b) Brigade/Polen also supports that selection. If support described in (i) and (ii) above is not achieved, the matter will be submitted to the court on a motion on proper notice for further direction, with a recommendation from the Monitor and all parties retain the right to object in Court.

- The Company shall have the right to interview the candidates for Chief Restructuring Officer in the presence of the Monitor and to provide the Monitor with its views on the candidates for Chief Restructuring Officer, so long as that does not delay the selection process. The Company retains the unfettered right to object in Court should it not agree with the Chief Restructuring Officer selected.

- All interviews of Transaction Advisor candidates and Chief Restructuring Officer candidates shall be scheduled by the Monitor.

(c) Participation Rights

The Company, the Monitor, and their respective advisors, including any CRO, shall work in good faith with the Senior Secured Lenders (or their advisors as they may direct), reasonably contemporaneous with their discussions with the DIP Lender, in respect of the following matters during the CCAA Proceedings and in each case prior to the Company making any decisions and seeking Court approvals (as applicable):

- SISP: the development of the SISP and its terms, including phases, consent and discussion rights and duration. The Debtors shall share drafts of the SISP (and any feedback received from the DIP Lender) reasonably contemporaneous with the delivery or receipt of such drafts and feedback/comments, as applicable, and shall consider and reflect, as appropriate, the reasonable comments of the Senior Secured Lenders.

- Budgets and Cash Flow Forecasts: any proposed budgets and cash flow forecasts (and any amendments thereto), including any cash flow forecasts to be approved by the DIP Lender, prior to the finalization and Court approval of any such budgets or forecasts.

- Specified Capital Expenditures and Commitments: prior to (i) any payments to related parties or insiders; or (ii) any binding sealift procurement commitment related to the Steensby Expansion, or otherwise outside of normal course operations.

(d) Information Rights

The Senior Secured Lenders (or their advisors as they may direct) shall be entitled to the following information and reporting rights throughout the CCAA proceedings, subject to appropriate confidentiality agreements, which shall not include 'cleansing' provisions and which shall permit information that, in the view of the Monitor after consultation with the Company, is determined to be competitively sensitive to be withheld from those Senior Secured Lenders that are customers/suppliers of the Debtors:

- The same level of written financial information and reporting received by the DIP Lender, including variance reporting, and reasonably contemporaneous with the delivery of such information to the DIP Lender.

- Management and Company advisors, including CRO, shall host regular weekly update calls with the Senior Secured Lenders (including their advisors) addressing the business and the restructuring proceedings; provided that the cadence of such calls can be revisited between the parties and the Monitor.

- The CRO and FA shall provide regular updates (which may include regular weekly calls as appropriate), to one representative of each of (i) Oaktree and Hartree; (ii) Polen and Brigade; and (iii) EDC, or in the case of (i), (ii) or (iii), their respective financial advisor as they may direct, regarding material developments in the SISP (once implemented). The Monitor and the Company shall participate in such updates. Any representatives receiving these updates shall be subject to appropriate confidentiality restrictions regarding the SISP updates, without 'cleansing' provisions. The calls may be with or without counsel as agreed to by the parties (including the Monitor and the Company).

(e) Payment of Fees

- Fees prior to June 11 endorsement: The reasonable fees and disbursements of the Senior Secured Lenders' and EDC's professional advisors from and including May 15, 2026 to June 10, 2026 (in the amount of approximately US$500,000 in the case of Oaktree / Hartree and US$500,000 in the case of the Ad Hoc Committee of Noteholders) shall be paid by the Company promptly following the receipt of such invoices and issuance of the EDC DIP Order.

- Fees during Bridge Period: As required by the June 11 endorsement, the reasonable fees and disbursements of the Senior Secured Lenders' and EDC's professional advisors for the period from June 11, 2026 through the date of the EDC DIP Order, shall be paid by the Company promptly following the receipt of such invoices and issuance of the EDC DIP Order.

- Fees after EDC DIP Order: The reasonable fees and disbursements of the Senior Secured Lenders' and EDC's professional advisors, from the date of the EDC DIP Order forward during the CCAA proceedings shall be included in the professional fees line item in each of the approved cash flow forecasts, up to a maximum of USD$200,000 per month for each of (i) Polen / Brigade; (ii) Oaktree/Hartree; and (iii) EDC, and such fees shall be paid within 14 days of receipt of an invoice from the applicable advisors; provided that any unused amounts in any given month by a party shall roll over and be available for use by that party's advisors in any following month during the CCAA proceedings.

- For greater certainty, this agreement is without prejudice to the rights of any of the Senior Secured Lenders and EDC to seek to either add any prefiling professional fees and any professional fees in excess of any of the capped amounts referenced herein to constitute obligations under the applicable debt document or otherwise seek to pay such fees from any distributions that may be made to the holders thereof, in each case as applicable.

- Advisors for each respective creditor constituency will take all reasonable steps to avoid duplication of activities.

- For greater certainty, any limit described herein on fees does not apply to any fees incurred by EDC in enforcing its rights pursuant to the EDC DIP Credit Agreement.

This is Exhibit "E" referred to in the Affidavit of William E. Aziz sworn remotely by William E. Aziz stated as being located in the Town of Oakville, in the Province of Ontario, before me in the City of Toronto, in the Province of Ontario, on August 23, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Sean Monahan

SEAN MONAHAN

LSO# 87650U

FIRST AMENDMENT AND WAIVER TO DIP FACILITY LOAN AGREEMENT

DATED AS OF AUGUST 11, 2026

(the "First Amendment and Waiver")

WHEREAS Baffinland Iron Mines Corporation and Baffinland Iron Mines LP (collectively, the "**Borrowers**") along with certain additional guarantors party thereto (collectively, the "**Obligors**") and the DIP Lender (defined below) are party to a DIP facility loan agreement (the "**DIP Term Sheet**") dated as of June 3, 2026, which DIP Term Sheet was approved pursuant to the second amended and restated initial order made by the Court on June 11, 2026 in the Obligors' proceedings pursuant to the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**") commenced before the Ontario Superior Court of Justice – Commercial List.

AND WHEREAS the DIP Lender and the Obligors wish to make certain amendments as set out herein.

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 First Amendment and Waiver has the meaning ascribed to it in the DIP Term Sheet.
2.	**Sales and Investment Solicitation Process**	The DIP Lender waives any Event of Default arising solely from the failure of the Obligors to obtain the SISP Order by the SISP Order Date, provided that: (a) The Obligors shall obtain the SISP Order on or before August 27, 2026; (b) The Obligors shall have entered into an engagement letter with a financial advisor acceptable to the DIP Lender (the "**Financial Advisor**"), such engagement letter to be in form and substance acceptable to the DIP Lender by no later than August 14, 2026; (c) The Obligors shall have distributed a form of non-disclosure agreement ("**NDA**") in form and substance acceptable to the DIP Lender by no later than August 21, 2026 to all potentially interested parties as recommended by the Financial Advisor as of such date; and (d) The Obligors shall make available site visits to interested parties who have executed an NDA and who the Financial Advisor has recommended should participate in a site visit for visit dates to occur by no later than September 30, 2026 (collectively, the "**August Milestones**").

3.	**Additional Events of Default:**	In addition to the Events of Default set out in paragraph 28 of the DIP Term Sheet, failure of any Obligor to comply with its obligations and covenants set out in this First Amendment and Waiver, including, without limitation, failure to meet any of the August Milestones, shall constitute an Event of Default under the DIP Term Sheet.
4.	**Ratification of DIP Term Sheet**	Except as expressly provided for in this First Amendment and Waiver, the parties ratify and confirm the DIP Term Sheet. The DIP Term Sheet and this First Amendment and Waiver shall be read and construed as one document.
5.	**Counterparts and Facsimile Signatures:**	This First Amendment and Waiver 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 First Amendment and Waiver by signing any counterpart of it.
6.	**Governing Law and Jurisdiction:**	This First Amendment and Waiver shall be governed by, and construed in accordance with, the Laws of the Province of Ontario and the federal Laws of Canada applicable therein.

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

DIP LENDER:

HIS MAJESTY IN RIGHT OF CANADA

Per: ____________________________
Name: Mark Doyle
Title: Senior Special Risks Manager, Export Development Canada

Per: ____________________________
Name: Alexandre Richard
Title: Special Risks Manager, Export Development Canada

BORROWERS:

BAFFINLAND IRON MINES CORPORATION

Per: ____________________________
Name:
Title:

Per: ____________________________
Name:
Title:

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

DIP LENDER:

HIS MAJESTY IN RIGHT OF CANADA

Per: ______________________________
Name: Mark Doyle
Title: Senior Special Risks Manager, Export Development Canada

Per: ______________________________
Name: Alexandre Richard
Title: Special Risks Manager, Export Development Canada

BORROWERS:

BAFFINLAND IRON MINES CORPORATION

Per: ______________________________
Name: William Aziz
Title: Chief Restructuring Officer

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

Per: ______________________________
Name: William Aziz
Title: Chief Restructuring Officer

GUARANTORS:

NUNAVUT IRON ORE, INC.

Per: ______________________________
Name: William Aziz
Title: Chief Restructuring Officer

12334992 CANADA INC.

Per: ______________________________
Name: William Aziz
Title: Chief Restructuring Officer

This is Exhibit “F” referred to in the Affidavit of William E. Aziz sworn remotely by William E. Aziz stated as being located in the Town of Oakville, in the Province of Ontario, before me in the City of Toronto, in the Province of Ontario, on August 23, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Sean Monahan

SEAN MONAHAN

LSO# 87650U

August 13, 2026

CONFIDENTIAL AND COMMERCIALLY SENSITIVE

Baffinland Iron Mines Corporation
Nunavut Iron Ore, Inc.
c/o BlueTree Advisors Inc.
360 Oakville Place Drive Suite 300
Oakville, Ontario, Canada, L6H 6K8
Attention: William Aziz, Chief Restructuring Officer

Dear Mr. Aziz:

1. I am pleased to confirm the arrangements under which Morgan Stanley Canada Limited ("Morgan Stanley", "we" or "us") has been engaged by Nunavut Iron Ore, Inc. and Baffinland Iron Mines Corporation (together, the "Company", "you" or "your") as your exclusive financial advisor in connection with a Transaction (as described below). Capitalized terms that are not defined herein have the meanings given thereto in the Second Amended and Restated Initial Order granted by the Ontario Superior Court of Justice (Commercial List) (the "Court") on June 11, 2026, as the same may be further amended, restated or supplemented from time to time.

2. As used herein, "Transaction" means any of the following completed transactions, arrangements, or series of related transactions or arrangements completed through a sale and investment solicitation process ("SISP") to be approved by the Court in the current *Companies' Creditors Arrangement Act* (Canada) ("CCAA") proceedings of the Company: (a) any sale, transfer, assignment, conveyance, credit bid or other disposition of all or substantially all of the assets, property, undertaking, or business of the Company and/or its subsidiaries, whether by way of asset sale, share sale, merger, amalgamation, arrangement, or otherwise including a reverse vesting order transaction, including by way of stalking horse bid or similar transaction; (b) any recapitalization, restructuring, refinancing, reorganization, compromise, or arrangement of the debt, equity, or other obligations or liabilities of the Company and/or its subsidiaries, including any plan of arrangement, plan of compromise, or plan of reorganization under applicable insolvency or restructuring legislation pursuant to which one or more parties directly or indirectly acquires control of all or substantially all of the assets of the Company and/or its subsidiaries; and (c) any combination of the foregoing, regardless of the form or structure through which such transaction is effected. Notwithstanding the foregoing, for the purposes of this letter agreement, "Transaction" does not include any transactions, arrangements, or series of related transactions or arrangements, whether implemented pursuant to the current CCAA proceedings of the Company and/or its subsidiaries or alternative process, through which the Senior Secured Lenders (or any one of them) acquire, directly or indirectly, 50.1% or more of the assets or equity interests of the Company and/or its subsidiaries (a "Senior Secured Lender Restructuring"), unless: (i) an offer was received in "phase 2" of the SISP, which the CRO and the Monitor (each as defined below) believe is actionable and likely could result in a consummated Transaction (the "Viable Third Party Bid"), and (ii) despite receiving such Viable Third Party Bid, the Senior

Secured Lenders (or any one of them) elect to implement the Senior Secured Lender Restructuring.

3. During the term of our engagement, Morgan Stanley will provide you with financial advice and assistance in connection with the SISP and any Transaction, including, as appropriate, advice and assistance with respect to defining objectives, performing valuation analyses, and structuring, planning and negotiating the Transaction. As part of our engagement, Morgan Stanley will, if appropriate and requested, perform the following services:

(a) Advise on the draft form of SISP document;

(b) Prepare, in collaboration with the Company on an expedited basis, a confidential information memorandum or similar document and other relevant informational materials;

(c) Identify and contact prospective purchasers and solicit and assist in evaluating indications of interest and proposals among prospective purchasers;

(d) Coordinate potential purchasers' due diligence with the assistance of the Court-appointed monitor in the CCAA proceedings (the "Monitor") and the Company, including in connection with site visits;

(e) Assist in structuring and negotiating the sale and the terms of the consideration;

(f) Assist in matters associated with closing a Transaction generally provided by financial advisors;

(g) Provide affidavit evidence, if requested by the Company, in connection with any motion brought by the Company and/or its subsidiaries for approval of a Transaction identified in the SISP; and

(h) Provide any other investment banking and financial advisory services reasonably necessary to accomplish the foregoing and consummate a Transaction as requested by the Company and agreed to by Morgan Stanley from time to time.

Please be advised that Morgan Stanley does not provide accounting, tax or legal advice. The provision of any services in addition to those described above shall be set forth in, and subject to the terms and conditions of, a separate letter agreement, and the fees for such services will be negotiated separately in good faith, which fees shall be in addition to, and not in substitution for, the fees payable hereunder.

4. Morgan Stanley may provide its services through or in conjunction with one or more of its affiliates and references in this letter agreement to "Morgan Stanley", "we", "us" and "our" shall, except where the context otherwise requires, include any such affiliates. The

Company agrees and confirms that references to "affiliates" of Morgan Stanley that appear in this letter agreement and the related Indemnity Agreement (defined below) and any Morgan Stanley work product shall be understood to include Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. Morgan Stanley shall be responsible for any acts or omissions by any of its affiliates in the performance of any services delegated hereunder to such entity.

5. All monetary amounts referred to in this letter agreement shall refer to United States dollars unless otherwise specified.

6. For our services hereunder, the following fees will be applicable subject to the terms herein:

(a) An "Advisory Fee" which is intended to reimburse us for our time and efforts expended in connection with this assignment. The Advisory Fee for this assignment is [redacted] to be paid in advance of each quarter until the term of this engagement is completed, the first installment of which shall be payable upon execution of this letter agreement and the subsequent payment payable on October 1, 2026, and so forth.

(b) We will charge an "Announcement Fee" [redacted] upon the Court approval of the Transaction. The Announcement Fee is due and payable upon Court approval of such agreement. To the extent that the consideration to be paid consists of publicly traded securities of the buyer, then the value of such securities to be used to calculate the Announcement Fee shall be based on the closing price of such securities as of the trading day preceding the day of announcement of the Transaction.

(c) We will charge a "Transaction Fee" as follows:

(i) If the Transaction is consummated (other than a Senior Secured Lender Restructuring), we will charge a "Transaction Fee" equal to (A) [redacted] of the Transaction Value, plus (B) an incremental [redacted] of the amount, if any, by which the Transaction Value exceeds [redacted] In no event shall the Transaction Fee be less than [redacted] (unless the Transaction consummated is a Senior Secured Lender Restructuring, as set out below); or

(ii) If a Senior Secured Lender Restructuring is consummated which constitutes a "Transaction" (as a result of having received a Viable Third Party Bid), we will charge a "Transaction Fee" equal to: (A) if the Transaction Value is equal or exceeds [redacted], we will charge and be entitled to a Transaction Fee of [redacted]; and (B) if the Transaction Value is less than [redacted], we will charge and be entitled to a Transaction Fee of [redacted].

In either scenario (i) or (ii), the Transaction Fee will become payable and will be paid by the Company upon the closing of the Transaction. Any Advisory

Fee, Announcement Fee or Termination Fee paid will be credited against the Transaction Fee, to the extent not previously credited.

(d) If an agreed upon Transaction is not consummated and the Company receives compensation pursuant to the termination provisions contained in the definitive agreement relating to the Transaction (such compensation, a "Reverse Breakup Fee"), Morgan Stanley will charge a "Termination Fee" equal to [redacted] of the Reverse Breakup Fee, against which any Advisory Fee or Announcement Fee paid will be credited, to the extent not previously credited. For purposes of calculating the Termination Fee, the Reverse Breakup Fee shall include (i) the fair value of any options granted to the Company pursuant to any cross-option agreement or comparable provision and (ii) any judgment for damages, amounts or other consideration received by the Company in settlement of any dispute as a result of the termination or other failure to consummate the Transaction. The Termination Fee will become payable and will be paid by the Company upon its receipt of the Reverse Breakup Fee.

7. For the purpose of the foregoing, the "Transaction Value" shall be (a) the value of the consideration paid for the equity and/or assets of the Company in the Transaction(s), *plus* (b) the principal amount of any indebtedness, capital lease or similar non-trade liabilities or obligations, including liabilities that accelerate upon a change of control, operating lease, and any preferred stock of the Company or its affiliates, in each case directly or indirectly assumed, refinanced, redeemed, retired, or defeased in connection with the Transaction, *plus* (c) the value of any interests (whether equity or assets) retained by the Company or its shareholders, which value shall be based on the consideration paid for the equity and/or assets subject to the Transaction (in each case, solely to the extent paid with cash, with cancelled debt amounts excluded from the calculation of Transaction Value); provided that, for the avoidance of doubt, "Transaction Value" shall be calculated without duplication, such that no amount shall be counted more than once. In calculating the Transaction Value, to the extent that the consideration to be paid to the Company or the shareholders of the Company, as the case may be, consists of publicly traded securities of the buyer, then the value of such securities to be used to calculate the Transaction Value shall be based on the volume weighted average of the closing price of such securities over the ten trading day period up to and including the trading day preceding the day of announcement of the Transaction. If such securities or other non-cash consideration does not have an existing public trading market, the value of such consideration shall be the value mutually agreeable to you and us at the time of the closing. For the avoidance of doubt, Transaction Value shall not be reduced by transaction expenses (including any fees paid or payable to Morgan Stanley). Any amounts to be paid by the buyer contingent upon future events shall be estimated for purposes of the Transaction Fee calculation at an expected value mutually agreeable to you and to Morgan Stanley at the time of closing, and any amounts to be held or held in escrow shall be included in such calculation and deemed to be paid at closing. In the event that the Transaction consummated is a Senior Secured Lender Restructuring (and the Senior Secured Lenders elect not to implement a Viable Third Party Bid), the "Transaction Value" shall be calculated by reference to the Viable Third Party Bid and not on the basis of the value ascribed to the Senior Secured Lender Restructuring.

8. In addition to any of the foregoing fees for professional services, you agree to reimburse us for, and we will separately bill, our reasonable out-of-pocket expenses incurred from time to time (the "Expenses"); provided that the amount of such Expenses for which Morgan Stanley shall be entitled to reimbursement from the Company shall not exceed [redacted] (exclusive of applicable taxes) in the aggregate per month, without the CRO's prior written consent, which consent shall not be unreasonably withheld. Generally, these Expenses include travel costs document production and other expenses of this type, and will also include the fees of Morgan Stanley's outside counsel (including Aird & Berlis LLP and any successor or additional outside counsel retained by Morgan Stanley) and other professional advisors should they be required, incurred in connection with the preparation of this letter agreement and the performance of Morgan Stanley of its services and obligations hereunder. The Company shall be responsible for the costs associated with any virtual data room services utilized in connection with the Transaction and the legal costs associated with negotiating and finalizing any Transaction including, but not limited to, negotiating any non-disclosure agreements. Our fees and Expenses are quoted and payable in United States dollars or, in the case Aird & Berlis LLP, Canadian dollars, and shall be billed and paid by the Company concurrently with payment of the Advisory Fee. All amounts payable to us under the terms of this engagement are exclusive of the Goods and Services Tax, Harmonized Sales Tax or any similar tax, or any withholding tax, if applicable. For the avoidance of doubt, none of the limitations in this paragraph shall in any way affect the Company's obligations set forth in the Indemnity Agreement.

9. Without limited the generality of the foregoing, the Company shall use its best efforts to promptly seek Court approval of an order that, *inter alia*:

(a) approves this letter agreement and the Indemnity Agreement, which the Company acknowledges is a post-filing agreement for the purposes of the CCAA proceedings;

(b) authorizes and directs the Company to pay the fees and expenses payable to Morgan Stanley by the Company pursuant to this letter agreement when due and payable hereunder;

(c) provides that all claims of Morgan Stanley pursuant to this letter agreement are not claims that may be compromised pursuant to a plan of compromise or arrangement under the CCAA (a "Plan") and shall be treated as unaffected in any Plan, any proposal under the *Bankruptcy and Insolvency Act* or any other restructuring and no such Plan, proposal or restructuring shall be approved that does not provide for the payment of all amounts due to Morgan Stanley pursuant to this letter agreement;

(d) grants to Morgan Stanley (i) a charge (the "Transaction Advisor Fee Charge") over the Property in the maximum amount of the aggregate of the Advisory Fee, the Announcement Fee and the Expenses, which charge shall rank *pari passu* with the Administration Charge and the CRO Fee Charge granted in the CCAA proceedings, and (ii) a charge (the "Transaction Advisor Transaction Fee Charge") over the Property in the maximum amount of the

Transaction Fee or the Termination Fee, as applicable, which charge shall rank subordinate to the Administration Charge, the CRO Fee Charge, the D&O Charge and the DIP Charge granted in the CCAA proceedings and in priority to the CRO Tiered Success Fee Charge and all other Encumbrances, as security for all amounts due to be paid to Morgan Stanley pursuant to this letter agreement;

(e) provides that the Covered Persons (as defined in the Indemnity Letter) shall have no liability with respect to any and all losses, claims, damages or liabilities, of any nature or kind whatsoever, to any person in connection with or as a result of its engagement by the Company hereunder, save and except to the extent that any court of competent jurisdiction, in a final judgment and in a proceeding in which Morgan Stanley is named as a party, determines that such losses, claims, damages or liabilities were caused by or resulted from the gross negligence or wilful misconduct of the Covered Persons; and

(f) redacts from the public record the fees payable to Morgan Stanley hereunder.

The Company agrees not to take any steps or actions to impair, subordinate, release or in any way affect the Transaction Advisor Fee Charge or the Transaction Advisor Transaction Fee Charge, and undertakes to advise Morgan Stanley forthwith of any attempts by third parties to take such steps or actions.

The Company shall serve Morgan Stanley and its designated legal counsel with all court materials filed in the CCAA proceedings and any other insolvency proceedings commenced by the Company and/or its subsidiaries, and shall ensure that Morgan Stanley and its designated legal counsel are added to the "Service List" posted on the Monitor's website in conjunction with the CCAA proceedings.

10. The Company agrees to arrange for payment of Morgan Stanley's fees set forth herein by wire transfer on or before the date(s) specified in this letter agreement.

11. Morgan Stanley will rely on the accuracy and completeness, without verifying it independently, of any information we receive or review in connection with this engagement. We will not independently evaluate or appraise any assets or liabilities that may be involved in this engagement, or advise or opine on any related solvency issues. We will assume that any forecasted financial information reflects the best available estimates of future financial performance. None of the advice or opinions Morgan Stanley provides, activities by Morgan Stanley in connection with the Transaction, nor any fee arrangements for this assignment, may be disclosed or referred to publicly or to any third party except in accordance with our prior written consent.

12. Notwithstanding anything herein to the contrary, Morgan Stanley and the Company agree that the Company (and its employees, representatives or other agents) may disclose to any and all persons, without limitation of any kind from the commencement of discussions, the U.S. federal and state or Canadian federal and provincial income tax treatment and tax structure of the Transaction, as applicable, and all materials of any kind (including opinions or other tax analyses) that are provided to the Company relating to such tax treatment and

tax structure, except where confidentiality is reasonably necessary to comply with securities laws. For this purpose, "tax structure" is limited to facts relevant to the U.S. federal and state or Canadian federal and provincial income tax treatment of the Transaction, as applicable, and does not include information relating to the identity of the parties hereto, their affiliates, agents or advisors.

13. As you know, Morgan Stanley is a global financial services firm engaged in the securities, investment management and individual wealth management businesses. Our securities business is engaged in securities underwriting, trading, hedging and brokerage activities, foreign exchange, commodities and derivatives trading, prime brokerage, as well as providing investment banking, financing and financial advisory services. Morgan Stanley, its affiliates, directors and officers may at any time invest on a principal basis or manage funds that invest, hold long or short positions, finance positions, and may trade or otherwise structure and effect transactions, for their own account or the accounts of its customers, in debt or equity securities or loans of the Company, or any other company, or any currency or any commodity, or instrument that may be involved in any of the transactions contemplated herein, or any related derivative instrument. Morgan Stanley and its affiliates may have provided, and may in the future seek to provide, financial advisory and financing services, in each case unrelated to the Transaction, for and may have received and may in the future receive compensation from other parties now or that may become involved in any of the transactions contemplated herein (other than the Transaction). The Company acknowledges that the interests of Morgan Stanley and its affiliates engaged in providing such financial advisory and financing services may differ from those of the Company. Although Morgan Stanley in the course of its other activities and relationships may acquire information about the Transaction or other entities and persons that may be the subject of the engagement contemplated by this letter agreement, Morgan Stanley shall have no obligation to disclose such information, or the fact that Morgan Stanley is in possession of such information, to the Company or to use such information on the Company's behalf.

14. Morgan Stanley's financial advice is intended solely for the benefit and use of the Chief Restructuring Officer (the "CRO"), the senior management of the Company and/or its subsidiaries, the Operating Committee of the Company and/or Monitor in considering the Transaction in connection with the SISP. Morgan Stanley's financial advice is not on behalf of, and shall not confer rights or remedies upon, any shareholder, employee or creditor of the Company or any other person (other than as set out in the SISP) and may not be used or relied upon for any other purpose. Subject to the terms of the SISP, Morgan Stanley shall be permitted to communicate with one representative of each of (i) Oaktree Capital Management, L.P. and Hartree Partners, LP, (ii) Polen Capital Credit, LLC, and Brigade Capital Management LP, and (iii) Export Development Canada (collectively, the "Senior Secured Lenders") (in each case, who have signed a non-disclosure agreement (or is otherwise under confidentiality arrangements) with the Company that are acceptable to the CRO) in connection with material developments in the SISP and will provide the Monitor and the CRO with copies of all correspondence and materials provided to the Senior Secured Lenders. Subject to the prior written consent of the CRO and the Monitor (email being sufficient), the Senior Secured Lenders' advisors shall be permitted to participate in such updates. The Monitor and the Company, including the CRO, shall participate in such updates. For greater certainty, subject to the terms of the SISP, the CRO and/or the Monitor

shall be permitted to provide stakeholders of the Company and/or its subsidiaries, including the Senior Secured Lenders, subject to obligations of confidentiality and on a non-reliance basis, the financial advice provided to the CRO and/or the Monitor by Morgan Stanley, provided that Morgan Stanley shall have no liability or responsibilities to such persons. Morgan Stanley acknowledges and agrees that Morgan Stanley shall comply with the SISP, if and when approved by the Court. Morgan Stanley will act under this letter agreement as an independent contractor with duties and obligations solely to the Company and only as set forth in this letter agreement and not in any other capacity, including as a fiduciary. Because we will be acting on your behalf in this capacity, it is our practice to receive indemnification. A copy of our standard indemnity agreement (the "Indemnity Agreement") is attached at Schedule "A" to this letter agreement. The terms of the Indemnity Agreement are an integral part hereof and shall survive any termination or expiration of this letter agreement. For the avoidance of doubt, as used herein, the Senior Secured Lenders do not include any party that purchases for value the indebtedness of the Company and/or its subsidiaries owing to them, unless such party is an affiliate of a Senior Secured Lender.

15. Any financial advice (written or oral) provided by Morgan Stanley in connection with the Transaction is not intended to be, and does not constitute, a recommendation to any person as to whether any action should be taken or how to vote with respect to any securities relating to the Transaction, any related transactions or any other proposal or matters by the Company, the Operating Committee of the Company, any shareholder of the Company or any other party.

16. The parties hereto agree that any dispute concerning this letter agreement, the engagement or the Indemnity Agreement (including any action, claim (including any cause of action, whether in contract or tort or otherwise), suit, investigation, inquiry, proceeding, controversy or dispute (collectively, an "Action") against any Morgan Stanley affiliate) will be resolved by the Court, and the Company submits to the exclusive jurisdiction of that Province for purposes of any such Action and waives any objections to personal jurisdiction. The parties hereto agree that the laws of the Province of Ontario apply to any Action based upon, arising out of, relating to or concerning this letter agreement or the engagement (including any Action against any Morgan Stanley affiliate), without regard to principles of conflicts of laws. The parties hereto each hereby irrevocably waive, to the fullest extent permitted by applicable law, any and all rights to trial by jury in any Action based upon, arising out of, related to or concerning this letter agreement (including any Action against any Morgan Stanley affiliate). The Company agrees that a final, non-appealable judgment in any such Action shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by applicable law.

17. This letter agreement and our services hereunder may be terminated with or without cause by you or by Morgan Stanley at any time upon express written notice and without liability or continuing obligation to you or to us. This letter agreement and our services hereunder shall be automatically terminated upon consummation of a Transaction and our receipt of the Transaction Fee; provided, for the avoidance of doubt, that if an agreed upon Transaction is not consummated and the Termination Fee becomes payable, this letter agreement and our services hereunder shall not be automatically terminated. Any termination of this letter agreement shall not affect (i) your liability for any compensation

earned and reasonable out-of-pocket expenses incurred by us to the date of termination, and (ii) in the case of termination by you without cause, our right to fees pursuant to this letter agreement with respect to the Transaction if a definitive agreement is executed within 12 months of such termination. The non-disclosure, governing law, venue and jury trial waiver provisions and the related indemnity agreement will remain operative regardless of any such termination. Morgan Stanley acknowledges and agrees that this letter agreement and the obligations of the Company hereunder are subject to approval of this letter agreement by the Court.

18. In the event that no Viable Third Party Bid was received and a Senior Secured Lender Restructuring is consummated, this letter agreement shall remain valid and binding and govern the terms of any subsequent Transaction (on our customary terms and conditions, including fees, pursuant to separate documentation) if a definitive agreement with respect to the subsequent Transaction is executed within a period of two years following the date that such Senior Secured Lender Restructuring is consummated. Please note that this letter agreement does not constitute a commitment by Morgan Stanley to underwrite or place any securities or make any loan and that such commitment will exist only if and when the parties either (x) enter into a definitive underwriting, placement, loan or other agreement which contains Morgan Stanley's customary terms, including compensation and indemnification, or (y) enter into such agreements as may be required by Morgan Stanley. In addition, in accordance with its customary practices, Morgan Stanley's policy requires formal approval by the appropriate Morgan Stanley Commitment Committee, or other similar committee, as the case may be, prior to entering into such underwriting, placement, loan or other agreement.

19. Morgan Stanley agrees to keep confidential all (a) information, data, documents, agreements, financial or other reports, files and other materials regarding or concerning (i) the contents of this letter agreement, (ii) the Company and/or its subsidiaries, (iii) the Company and/or its subsidiaries' business, assets, projects and finances, (iv) the conduct, implementation and results of the SISP, including any Transaction arising therefrom; and (b) any information, data, advice or opinions derived from the foregoing (collectively, the "Confidential Information") and to not, without the prior consent of the CRO, disclose or use, for any purpose other than providing its services hereunder, any of the Confidential Information, unless as requested or required by applicable law, rule and regulation or by other applicable legal, judicial, governmental or regulatory agency, authority or process (including, without limitation, by interrogatory, request for information or documents, subpoena, deposition, civil investigative demand or other process), provided that Morgan Stanley will, where permitted by the nature of the request, requirement or compunction, use commercially reasonable efforts to promptly notify the Company and the CRO of any such request, requirement or compunction so that the Company and/or the CRO may seek a protective order or other appropriate remedy prior to disclosure. Regardless of whether or not the Company and/or the CRO seeks or is unsuccessful in its attempt to obtain any appropriate protective remedy, the Company and the CRO agree that such disclosure may be made by Morgan Stanley without liability hereunder.

In connection with performing Morgan Stanley's services hereunder, the CRO may from time to time authorize Morgan Stanley to discuss the Confidential Information or deliver it to third parties, but any such communication of Information will be similarly confidential. Morgan Stanley shall not have any responsibility to independently verify that such disclosure of Confidential Information to third parties will not result in any breach of, or constitute default under, any agreement or instrument to which the Company and/or its subsidiaries is party or by which it may be bound, and Morgan Stanley shall not have any liability or obligation arising from such disclosure of Confidential Information where it is not informed by the CRO in writing that such disclosure would be in breach or default of any agreement or instrument to which the Company and/or its subsidiaries is party or by which it may be bound.

For purposes of this letter agreement, Confidential Information does not apply to any information which: (i) is or becomes generally available to the public other than as a result of disclosure by Morgan Stanley in violation of this letter agreement; (ii) was available to Morgan Stanley or any of its Agents (defined below) prior to its disclosure to Morgan Stanley or such Agent by or on behalf of the Company, the CRO or the Monitor, including in connection with the SISP, without any obligation of confidentiality to the Company; (iii) becomes available to Morgan Stanley or any of its Agents from a source other than the Company, the CRO or the Monitor (including in connection with the SISP), which source is not, insofar as known to Morgan Stanley or such Agent following reasonable inquiry, is not prohibited from transmitting the information to Morgan Stanley or such Agent by a contractual, legal or fiduciary obligation to the Company; (iv) the CRO agrees may be disclosed on a non-confidential basis; or (v) is or was independently developed by or on behalf of Morgan Stanley or any of its Agents without use of the Confidential Information. Morgan Stanley may describe or refer to its involvement in any announced or completed Transaction in (i) any advertisements placed in financial or other newspapers and journals (at Morgan Stanley's sole expense); and/or (ii) any pitch, case study, presentation or other such similar marketing materials which Morgan Stanley uses as part of its ordinary course investment banking business, in each case provided that the content is public (other than as a result of disclosure by Morgan Stanley).

Morgan Stanley will maintain the confidential nature of the Confidential Information and restrict the dissemination to such of Morgan Stanley's affiliates and its and their respective directors, officers, employees, representatives, affiliates, counsel or other agents (collectively, the "Agents") who reasonably need to know the Confidential Information (it being understood that those Agents shall be informed by Morgan Stanley of the confidential nature of the Confidential Information and shall be directed by Morgan Stanley to treat the Confidential Information confidentially in accordance with this letter agreement) for a period of three (3) years from the date of this letter agreement.

20. Morgan Stanley shall not be permitted to assign its rights or obligations under this letter agreement, in whole or in part, without the prior written consent of the CRO and the Monitor.

21. Morgan Stanley acknowledges and agrees that the CRO, the Monitor and their respective affiliates, and each of their respective legal counsel, shareholders, directors, officers and employees shall have no personal liability under or in connection with this letter agreement or any related agreement.

22. This letter agreement and the related indemnity agreement represent the entire agreement between the Company and Morgan Stanley with respect to this engagement and may only be amended in writing. This letter agreement may be executed in two or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same agreement. A signed copy of this letter agreement delivered by facsimile, e-mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this letter agreement.

23. If the terms of our engagement as set forth in this letter agreement are satisfactory, kindly sign this letter agreement and the related indemnity agreement and return them to us.

(*signature page follows*)

We look forward to working with the Company on this very important assignment.

Very truly yours,

MORGAN STANLEY CANADA LIMITED

By: [redacted]

Name: Evan Glowacki
Title: Executive Director

Accepted and agreed to:

NUNAVUT IRON ORE, INC.

By: William J. Aziz

Name: William Aziz
Title: Chief Restructuring Officer

Date: August 13th, 2026

BAFFINLAND IRON MINES CORPORATION

By: William J. Aziz

Name: William Aziz
Title: Chief Restructuring Officer

Date: August 13th, 2026

Enclosure: Indemnity Agreement

Morgan Stanley Canada Limited
181 Bay Street, Suite 3700
P.O. Box 776
Toronto, Ontario
M5J 2T3

Ladies and Gentlemen:

This agreement will confirm that Nunavut Iron Ore, Inc. (the "Company", "we", "our" or "us") have engaged Morgan Stanley Canada Limited ("Morgan Stanley", "you" or "your") to advise and assist us in connection with the matters referred to in our letter agreement dated August 13, 2026 (as may be amended in writing, the "Engagement Letter"). In consideration of your agreement to act on our behalf in connection with such matters, we agree to indemnify and hold harmless you and your affiliates and your and their respective current officers, directors, employees and agents and each other entity or person, if any, controlling you or any of your affiliates (you and each such other entity or person being a "Covered Person") from and against any and all losses, claims, damages and liabilities excluding any consequential, special, indirect or punitive damages or for lost profits (other than any such amounts owed to a third party) (collectively, "Losses") related to, arising out of or in connection with the engagement under the Engagement Letter (including the same services and activities prior to the date of the Engagement Letter) (the "Engagement"). We will also reimburse each Covered Person for all reasonable out-of-pocket expenses (including reasonable out-of-pock fees, expenses and disbursements of counsel) (collectively, "Expenses") in connection with investigating, preparing, pursuing or defending any action, claim (including any cause of action, whether in contract or tort or otherwise), suit, investigation, inquiry, proceeding, controversy or dispute (collectively, any "Action") related to, arising out of or in connection with the Engagement, whether or not pending or threatened and whether or not any Covered Person is a party, regardless of whether any such Action is brought by us, our affiliates, securityholders, creditors or any other person. We will not, however, be responsible for any Losses or Expenses that are finally judicially determined to have resulted from the bad faith, gross negligence or wilful misconduct of any Covered Person in connection with the Engagement.

Promptly after receiving notice of an Action against any Covered Person in respect of which indemnification may be sought from the Company, you will notify the Company in writing of the particulars thereof, provided that the omission so to notify the Company shall not relieve the Company of any liability which the Company may have to any Covered Person except to the extent we suffer material prejudice as a result thereof. The Company shall have 14 days after receipt of the notice to undertake, conduct and control, through counsel of its own choosing and at its own expense, provided, however, that such counsel shall be reasonably satisfactory to you (in which case, although you will or the Covered Person have the right to employ separate counsel and to participate in the defense of such action, the Company will not thereafter be responsible for the Expenses of any separate counsel retained by you or the Covered Person, unless (i) the Company shall have authorized you and/or the Covered Person to employ separate counsel at the Company's expense (ii) we have failed to assume such defense in a reasonably prompt manner or with counsel reasonably acceptable to such Covered Person, or (iii) such Covered Person has been advised by its own counsel that having separate counsel would be reasonably necessary under the circumstances due to one or more actual or potential conflicts of interest, or the availability of one or more legal defenses which are different from or in addition to those available to us. In the event that either of clauses (ii) or (iii) of the preceding sentence occurs, such Covered Person may employ separate counsel to represent and defend it in any action, claim, suit, investigation or proceeding, and the reasonable fees and disbursements of such separate counsel will be paid by the Company; provided, that we will not be required to pay the fees, expenses, and disbursements of more than one counsel for all Covered Persons in any single jurisdiction in any single action, claim, suit, investigation or proceeding unless a Covered Person has been advised by its own counsel that having separate counsel would be reasonably necessary under the circumstances due to one or more actual or potential conflicts of interest between such Covered Person and another Covered Person subject to the same action, claim, suit, investigation or proceeding, or the availability of one or more legal defenses which are different from or in addition to those available to us). If the Company undertakes, conducts or controls the settlement or defense of the Action, you and the Covered Person shall have the right to participate in (but not control) the settlement or defense of the Action.

We will not, without your prior written consent (not to be unreasonably withheld, conditioned or delayed), settle, compromise, consent to the entry of any judgment in or otherwise seek to terminate any

Action in respect of which indemnification may be sought hereunder or participate in or facilitate any such settlement, compromise, consent to the entry of any judgment in or termination of any such Action (whether or not any Covered Person is a party thereto), unless such settlement, compromise, consent or termination includes an unconditional release, enforceable by each Covered Person, of each Covered Person from any liabilities arising out of such Action and does not include any statement as to, or any admission of, fault, culpability or a failure to act by or on behalf of any Covered Person. No Covered Person seeking indemnification, reimbursement or contribution under this agreement will, without our prior written consent (not to be unreasonably withheld, conditioned or delayed), settle, compromise, consent to the entry of any judgment in or otherwise seek to terminate any Action. We also agree that no Covered Person shall have any liability (whether direct or indirect, in contract or tort or otherwise) to us for any Losses related to, arising out of or in connection with the Engagement or this agreement except for any such liability for Losses incurred by us that are finally judicially determined to have resulted from the bad faith, gross negligence or wilful misconduct of such Covered Person in connection with the Engagement.

If the indemnification provided for in the first paragraph of this agreement is insufficient, not permitted by applicable law or judicially determined to be unavailable (in any case, other than in accordance with the terms hereof) to a Covered Person to pay in full any Losses and Expenses, then, in lieu of indemnifying such Covered Person hereunder, we shall contribute to the amount paid or payable by such Covered Person as a result of such Losses and Expenses (i) in such proportion as is appropriate to reflect the relative benefits to you, on the one hand, and us, on the other hand, of the Engagement or (ii) if the allocation provided by clause (i) above is not sufficient, permitted by applicable law or available, in such proportion as is appropriate to reflect not only the relative benefits referred to in such clause (i) but also the relative fault of each of you and us, as well as any other relevant equitable considerations; provided, however, in no event shall your aggregate contribution to the amount paid or payable exceed the aggregate amount of fees actually received by you under the Engagement Letter. For the purposes of this agreement, the relative benefits to us and you of the Engagement shall be deemed to be in the same proportion as (a) the total value paid or contemplated to be paid or received or contemplated to be received by us or our securityholders, as the case may be, in the transaction or transactions that are the subject of the Engagement, whether or not any such transaction is consummated, bears to (b) the fees paid or to be paid to you under the Engagement Letter.

The reimbursement, indemnification, contribution and exculpation provisions contained in this agreement shall be in addition to any liability which we may otherwise have at law or in equity, shall not be limited by any rights you or any other Covered Person may otherwise have and shall be binding upon and inure to the benefit of any successors, assigns, heirs and personal representatives of us and any other Covered Person.

The provisions of this agreement shall apply to the Engagement and any modification thereof and shall remain in full force and effect regardless of any termination or the completion of your services under the Engagement Letter. If one or more provisions of this agreement are held to be unenforceable or is otherwise impermissible under applicable law, such provision(s) shall be excluded from this agreement and the balance of this agreement shall be interpreted as if such provision(s) were so excluded and shall be enforceable in accordance with its terms. Capitalized terms not defined herein shall have the meaning assigned to them in the Engagement Letter.

The parties agree that any dispute concerning this agreement (including any Action against any Morgan Stanley affiliate) will be resolved in the courts located in the Province of Ontario, Canada, and you and your affiliates and the Company each submit to the exclusive jurisdiction of that Province for purposes of any such dispute and waives any objections to personal jurisdiction. The parties agree that the laws of the Province of Ontario apply to any Action based upon, arising out of or relating to this agreement (including any Action against any Morgan Stanley affiliate), without regard to principles of conflicts of laws. The parties each hereby irrevocably waive, to the fullest extent permitted by applicable law, any and all rights to trial by jury in any legal proceeding based upon, arising out of or related to this agreement (including any Action against any Morgan Stanley affiliate). The Company agrees that a final, non-appealable judgment in any such Action shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(Signature page follows.)

Very truly yours,

NUNAVUT IRON ORE, INC.

By: ______________________

Name: William Aziz
Title: Chief Restructuring Officer

Accepted:

MORGAN STANLEY CANADA LIMITED

By: [redacted]

Name: Evan Glowacki
Title: Executive Director

This is Confidential Exhibit "G" referred to in the Affidavit of William E. Aziz sworn remotely by William E. Aziz stated as being located in the Town of Oakville, in the Province of Ontario, before me in the City of Toronto, in the Province of Ontario, on August 23, 2026 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Sean Monahan

SEAN MONAHAN

LSO# 87650U

Confidential Exhibit "G"

Unredacted copy of the Engagement Letter

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

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.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

AFFIDAVIT OF WILLIAM E. AZIZ
(sworn August 23, 2026)

DAVIES WARD PHILLIPS & VINEBERG LLP
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Lawyers for the Applicants and Baffinland Iron Mines LP

Tab 3

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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

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

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

Applicants

OMNIBUS ORDER

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

(a) extending the Stay Period to and including December 11, 2026;

(b) approving the engagement of Morgan Stanley Canada Limited (the "**Financial Advisor**") to act as transaction advisor to the Debtors on the terms set out in the Engagement Letter (defined below), *nunc pro tunc*;

(c) granting Court-ordered charges in favour of the Financial Advisor to secure the fees payable to it pursuant to its engagement;

(d) amending the priority of the Court-ordered charges granted in these proceedings; and

(e) redacting and sealing certain commercially sensitive terms of the Engagement Letter until further Order of this Court,

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

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

SERVICE AND DEFINITIONS

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

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

EXTENSION OF STAY PERIOD

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

ENGAGEMENT OF THE FINANCIAL ADVISOR

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

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

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

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

FINANCIAL ADVISOR CHARGES

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

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

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

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

PRIORITY OF COURT-ORDERED CHARGES

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

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

First – the Administration Charge (to the maximum amount of US$5 million), the CRO Fee Charge (to the maximum amount of US$1,000,000), and the Financial Advisor Fee Charge (in the maximum amount of the aggregate of the Advisory Fee, the Announcement Fee and the Expenses (each as defined in the Engagement Letter approved by this Court on August 27, 2026)), on a *pari passu* basis;

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

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

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

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

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

SEALING

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

GENERAL

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

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

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

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

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

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

Applicants

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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding Commenced at Toronto

OMNIBUS ORDER

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

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Applicants

Court File No. CL-26-00000219-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT TORONTO

MOTION RECORD
(Omnibus Order: Returnable August 27, 2026)

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