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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE	)	THURSDAY, THE 29TH
	)	
MADAM JUSTICE STEELE	)	DAY OF OCTOBER, 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

KERP APPROVAL ORDER

THIS MOTION, made by Nunavut Iron Ore, Inc., Baffinland Iron Mines Corporation, 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*, approving the KERP (as defined below), granting the KERP Charge (as defined below), amending the priority of the Court-ordered charges granted in these proceedings, sealing Confidential Exhibit "B" to the Second Aziz Affidavit (as defined below), and granting related relief was heard this day at 330 University Avenue, Toronto, Ontario by judicial videoconference.

ON READING the affidavit of William E. Aziz sworn October 26, 2026 and the exhibits thereto (the "**Second Aziz Affidavit**"), the Supplement to the Sixth Report of the Monitor dated October 27, 2026, and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for the Debtors, counsel for FTI Consulting Canada Inc. in its capacity as monitor (in such capacity, 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 the time for 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 and the Order granted by this Court on August 27, 2026, the "**SARIO**"), or in the Second Aziz Affidavit, as applicable.

KEY EMPLOYEE RETENTION PLAN

3. **THIS COURT ORDERS** that the Key Employee Retention Plan (the "**KERP**") as described in the Second Aziz Affidavit is hereby approved and the Debtors are authorized

to make the payments contemplated thereunder in accordance with the terms and conditions of the KERP and the DIP Agreement.

4. **THIS COURT ORDERS** that the Debtors are authorized to deliver such documents as may be necessary to give effect to the KERP, subject to prior approval of the Monitor, or as may be ordered by this Court.

5. **THIS COURT ORDERS** that the payments made by the Debtors pursuant to the KERP do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

KERP CHARGE

6. **THIS COURT ORDERS** that the key employees identified in Confidential Exhibit "B" attached to the Second Aziz Affidavit (the "**KERP Recipients**") shall be entitled to the benefit of and are hereby granted a charge on the Property (the "**KERP Charge**"), which charge shall not exceed the aggregate amount of CAD$17,096,250, to secure any amounts payable to the KERP Recipients under the KERP. The KERP Charge shall have the priority set out in paragraph 8 below.

7. **THIS COURT ORDERS** that, to the extent applicable, the KERP Recipients shall be entitled to the benefits of paragraphs 43 to 47 of the SARIO.

PRIORITY OF COURT-ORDERED CHARGES

8. **THIS COURT ORDERS** that paragraph 42 of the SARIO is hereby amended by deleting it and replacing it 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 KERP 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 KERP Charge (to the maximum amount of CAD$17,096,250);

Fifth – 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;

Sixth – 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

Seventh – 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

9. **THIS COURT ORDERS** that Confidential Exhibit "B" to the Second 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

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

11. **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 CRO and the Monitor, and their

respective advisors and 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, the CRO and the Monitor, 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, the CRO and the Monitor and their respective agents in carrying out the terms of this Order.

12. **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.

13. **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 without the need for entry and/or filing.

Jana Steele

Digitally signed by Jana Steele
Date: 2026.10.29 13:14:06 -04'00'

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Proceeding Commenced at Toronto

KERP APPROVAL ORDER

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