2022 01G 0709

IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR

IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF the *Companies Creditors Arrangement Act* R.S.C., 1985 c. C-36 as Amended (the "**CCAA**")

AND IN THE MATTER OF an application of Grant Thornton Limited, as Court- Appointed Monitor of Canada Fluorspar (NL) Inc., Canada Fluorspar Inc., and Newspar (collectively, "**CFI**" or the "**Company**"); and

AND IN THE MATTER OF a Plan of Compromise or Arrangement of the Company;

THIRD REPORT OF GRANT THORNTON LIMITED, IN ITS CAPACITY AS MONITOR UNDER THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, C. C-36 OF CANADA FLUORSPAR (NL) INC. AND CANADA FLUORSPAR INC. AND NEWSPAR.

MAY 30, 2022

Grant Thornton

Grant Thornton Limited,
Court Appointed Monitor

Suite 300 - 15 International Place
St. John's, NL A1A 0L4

TABLE OF CONTENTS

APPENDICES

A - Amended and Restated Initial Order dated March 18, 2022

B – Settlement Proceeds Agreement dated March 17, 2022

C – Fluorspar Inventory Sales Contract dated April 27, 2022

D – Fluorspar Inventory Sales Package dated May 6, 2022

E – SISP Order and SISP Procedures dated March 21, 2022

F – Notice of Phase 1 Bid Extension to April 20, 2022

G – Newspaper advertisements for SISP

H – Press Release on SISP, dated April 11, 2022

I – Notice of Phase 2 Bid Deadline Extension to June 17, 2022

J – Farrell's Federal Court Claim

K – Inaminka Marine Service Limited Federal Court Claim

L – Interim Receiver's Discharge Package

M – Budget to Actual Comparison to May 8, 2022

N – Budget to August 28, 2022

INTRODUCTION

1. On February 21, 2022, upon the application of PricewaterhouseCoopers Inc., in its capacity as court-appointed receiver and manager of Bridging Finance Inc. and Bridging Income Fund LP (collectively referred to as "**Bridging**"), Grant Thornton Limited ("**GTL**") was appointed as Interim Receiver (the "**Interim Receiver**") of all the current and future assets, undertakings and properties (the "**Property**") of Canada Fluorspar (NL) Inc. and Canada Fluorspar Inc. (collectively referred to as the "**Company**" or "**CFI**") by Order of the Supreme Court of Newfoundland and Labrador (the "**Court**").

2. The Interim Receivership Order authorized the Interim Receiver, among other things, to:

   (a) receive, preserve, protect and maintain control over the Property;

   (b) to retain or hire any employees on behalf of the Company;

   (c) to report to, meet with and discuss with such Affected Persons (as defined in the Interim Receivership Order) as the Interim Receiver deems appropriate;

   (d) to utilize monies on hand or borrowed by the Interim Receiver to fund payments of employee payroll obligations, rent, insurance, utilities, and other obligations determined by the Interim Receiver to be integral to the preservation of the Property;

   (e) to commence proceedings for the Company pursuant to the *Bankruptcy and Insolvency Act* ("**BIA**") or the *Companies' Creditors Arrangement Act* ("**CCAA**"); and

   (f) to report to the Court and the creditors of CFI regarding the status of the business and financial affairs of CFI, including its assets, liabilities, accounts payable and other matters deemed relevant by the Interim Receiver.

3. On March 8, 2022, the Interim Receiver made application to commence proceedings pursuant to the CCAA and the Court issued an Initial Order on March 11, 2022. Grant Thornton Limited was appointed Monitor ("**Monitor**").

4. The Initial Order imposed a stay of proceeding against Canada Fluorspar (NL) Inc., Canada Fluorspar Inc., and Newspar (a General Partnership) (collectively referred to as the "**Company**" or "**CFI**").

5. The Initial Order granted an initial stay of proceedings and authorized the Monitor, among other things, to:

(a) Preserve and protect the Business and Property of CFI excluding certain property in favour of HSBC Bank of Canada ("**HSBC**");

(b) Providing the Monitor with certain enhanced powers;

(c) Approving the debtor in possession financing to allow CFI to continue to operate in the ordinary course pending the comeback hearing; and

(d) Setting down the comeback hearing for March 18, 2022 at 10am

6. On March 18, 2022, the Court issued an Amended and Restated Initial Order ("**ARIO**") which affirmed the terms of the Initial Order and authorized the Monitor, among other things:

(a) Authority to file, if deemed appropriate, a plan of compromise and arrangement on behalf of the Company;

(b) Authority to implement operational changes and pursue restructuring opportunities on behalf the Company;

(c) Authority under s. 32 of the CCAA to disclaim or rescind agreements for real property;

(d) Granted an extension of the stay of proceedings to July 10, 2022;

(e) Empowered to run a Sales and Investment Solicitation Process ("**SISP**"), with the terms being outlined in the SISP Process on behalf of the Company;

(f) Provided enhanced powers within the CCAA due to the directors of the Company resigning;

(g) Authorized to borrow on behalf of the Company in accordance with the DIP Financing Agreement.

7. A copy of the ARIO is attached hereto as **Appendix "A"**.

8. The preceding reports of Grant Thornton Limited as Interim Receiver and Monitor, and all other information in respect of the interim receivership, and all other information in respect to the CCAA proceeding are posted on the Interim Receiver's and Monitor's website at www.GrantThornton.ca/CFI. Readers are encouraged to read the following reports of Grant Thornton Limited, the materials filed with the court in relation to the applications, and the orders of the Court to provide additional information:

Reports to the Court

a) First Report of Grant Thornton Limited in its capacity as Interim Receiver dated March 8, 2022

b) Second Report of Grant Thornton Limited in its capacity as Monitor dated March 15, 2022

Court Orders

a) Interim Receivership Order dated February 21, 2022, including reasons for judgement

b) CCAA Initial Order dated March 11, 2022, including reasons for judgement

c) ARIO dated March 21, 2022, including reasons for judgement

d) Order approving the SISP dated March 21, 2022

9. On March 25, 2022, on application by HSBC Bank Canada, the Court appointed Deloitte Restructuring Inc. ("**Deloitte**") as receiver over the accounts receivable of the Company. Stakeholders wishing additional information on that proceeding are encouraged to contact Deloitte.

10. This is the Third Report of the Monitor.

PURPOSE OF THE REPORT

11. The purpose of this report (the "**Third Report**") is to inform the Court of the following:

(a) The activities of the Monitor since March 15, 2022, the date of the Second Report;

(b) Seeking the following Orders:

(i) Order declaring, pursuant to s. 5(5) of the Wage Earner Protection Program Act, S.C. 2005, c.47, s.1 ("**WEPPA**"), that CFI and their former employees meet the criteria established by s. 3.2 of the Wage Earner Protection Program Regulations, SOR/2008-222 (the "**WEPP Regulations**") ("**WEPP Order**");

(ii) Changes to the SISP Order and SISP procedures that extends the timeline in the Monitor's SISP Process for parties to make binding offers from June 10, 2022 to July 22, 2022, and also extends the timelines of subsequent SISP process milestones cumulating in a proposed closing date of September 2, 2022 ("**Revised SISP Order**" and "**Revised SISP Procedures**");

(iii) Changes to the ARIO requesting an extension to the period of the stay of proceedings to September 2, 2022 ("**ARIO – Amendment #1**"); and

(iv) Approving this Third Report, the activities of the Monitor and its counsel;

TERMS OF REFERENCE

12. In preparing this Third Report, the Monitor has relied upon unaudited financial information, certain Company's records, financial information and projections, and discussions with the Management of the Company, and its legal advisors. While the Monitor reviewed various documents provided by the Company and its legal advisors (including, among other things, unaudited internal financial statements and financial projections) and believes that the information therein provides a fair summary of the transactions as reflected in the documents, such work does not constitute an audit or verification of such information for accuracy, completeness or compliance with Generally Accepted Accounting Principles ("**GAAP**") or International Financial Reporting Standards ("**IFRS**"). Accordingly, the Monitor expresses no opinion or other form of assurance pursuant to GAAP or IFRS with respect to such information.

13. Some of the information used in preparing this Third Report consists of financial projections, including the Cash Flow Forecast. The Monitor cautions that these forecasts are based upon assumptions about future events and conditions that are not ascertainable. The Company's actual results may vary from the Cash Flow Forecast, even if the Hypothetical and Probable Assumptions (defined herein) contained therein materialize, and the variations could be significant. The Monitor's review of the future oriented information used to prepare this Third Report did not constitute an audit of such information under Generally Accepted Auditing Standards, GAAP or IFRS.

14. In the course of its mandate, the Monitor has assumed the integrity and truthfulness of the information and explanations presented to it by the Company, its Management and other stakeholders, within the context in which such information was presented. To date, nothing has come to the Monitor's attention that would cause it to question the reasonableness of these assumptions, or accuracy of the information. The Monitor has requested that Management bring to its attention any significant matters which were not

addressed in the course of the Monitor's specific inquiries. Accordingly, this Report is based solely on the information (financial or otherwise) made available to the Monitor by the Company and its Management.

15. This Third Report has been prepared for the use of this Court and the Company's stakeholders as general information relating to the Company and to assist the Court in determining whether to grant the relief sought by the Company. Accordingly, the reader is cautioned that this Report may not be appropriate for any other purpose. The Monitor will not assume responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction or use of this Third Report contrary to the provisions of this paragraph.

16. All references to dollars are in Canadian currency unless otherwise noted.

BUSINESS, PROPERTY, AND CARE AND MAINTENANCE

17. Since its appointment, the Monitor, has continued to preserve and protect the Company's business and property and has completed the transition into care and maintenance mode. The maintenance and care of the business and property is ongoing and there is no significant issue to note.

18. The Monitor has:

    a) Security – Maintained the existing Company security processes and procedures, and developed and rolled out an enhanced physical security protocols for the mine sites and IT security enhancements;

    b) Insurance – Maintained the Company's insurance policy;

    c) Utilities and services – Arranged for the continued provision of services from utilities and other vendors, including new payment processes and credit terms (if applicable). The Monitor has paid for all services rendered in the normal course;

    d) Employees – retained a core group of employees sufficient to maintain the mine, its assets and other properties in care and maintenance mode, support the SISP process, and maintain a core of key employees to allow for the possibility of a restart of operations for a purchaser should the SISP process provide a transaction;

e) Operations – In conjunction with Company management, participate in twice daily operation updates and planning, and weekly updates and planning processes as part of the care and maintenance program. The weekly operational report is shared with the Bridging and the Province of Newfoundland and Labrador (together the "**DIP Lenders**").

f) Inventory of certain assets – Monitor has worked to complete an inventory of capital assets, leases, supply agreements, etc. in support of its estate communication process, the SISP, and for use by other stakeholders in the process

CREDITORS

19. The Monitor has, and continues, to engage with all significant creditors and stakeholders in the CCAA proceeding by responding to queries when possible in a timely and factual manner:

a) Secured Creditors – Bridging and the Province of Newfoundland and Labrador ("**PNL**") – The Monitor has provided regular updates to Bridging and PNL on operational and the financial matters in the estate pursuant to the DIP Loan agreement. In addition, the Monitor has responded to all queries to the satisfaction of Bridging and PNL.

b) HSBC Bank of Canada ("**HSBC**") – The CCAA proceeding has carved out the Company's accounts receivable and those assets are being dealt with by Deloitte. The Monitor has cooperated with Deloitte in furtherance of its mandate, and Deloitte has cooperated with the Monitor in furtherance of its mandate.

c) Unsecured – The Monitor has created an email address to engage with stakeholders in the proceeding (canadafluorspar@ca.gt.com). That address is monitored, and queries responded too. In addition, the Monitor has created a website for stakeholders on this proceeding at www.grantthornton.ca/cfi. This website is updated regularly.

d) Employees – The Monitor has created a section on the estate's website dedicated to employees and posts responses to employee related questions, and other updates. In addition, the CFI Human Resource

Manager was retained by the Monitor and responds to employee related queries.

e) Town of St. Lawrence – The Monitor has provided regular updates to the Town of St. Lawrence.

f) Equipment leases – The Monitor has engaged with the various leasing companies for equipement and has made satisfactory arrangements with the majority of them. That work is ongoing. Further details are:

   i. Equipment lease with De Lage Landen Financial Services Canada Inc. ("**DLL**") for a new Sharp MX3051 located at the mine. DLL has elected to leave the printer on site and will engage in discussions with the Successful Purchaser in hopes to sign a new lease agreement. The Monitor has disclaimed this agreement;

   ii. Equipment lease with DLL for a new Sharp MX3051 located at 1 Clarke's Pond Road, St. Lawrence, NL. DLL has elected to leave the printer on site and will engage in discussions with the Successful Purchaser in hopes to sign a new lease agreement. The Monitor has disclaimed this agreement;

   iii. Equipment lease with DLL for a Canon Plotter IPF770 Plotter. DLL has elected to leave the printer on site and will engage in discussions with the Successful Purchaser in hopes to sign a new lease agreement. The Monitor has disclaimed this agreement;

   iv. Lease agreement with Hickman Leasing Limited ("**Hickman**") dated the 27th of November, 2019 for a 2018 Chevrolet Silverado 3500. The truck is located at OK Tire in Burin, who have advised they have a mechanics lien on the vehicle. Hickman has been notified of its location and can retrieve the vehicle at their convenience. The Monitor has disclaimed this agreement;

v. Lease agreement with Meridian OneCap Credit Corp. ("**Meridian**") dated the 24th of June, 2020 for the purchase of a used 2014 JLG G10-55A Forklift. Meridian has been notified that they are free to retrieve the equipment at their own convenience. The Monitor has disclaimed this lease;

vi. Lease agreement with Mitsubishi HC Capital Canada Leasing, Inc. ("**Mitsubishi**") for the purchase of a 2013 Komatsu Crawler Tractor Dozer, Model D115AX-7. The Monitor has disclaimed this lease and Mitsubishi has retrieved the equipment; and

vii. Lease agreement with Modspace Financial Services, Canada ("**Modspace**") for the rental of an office trailer. The Monitor has disclaimed this lease and Modspace has retrieved the trailer;

(a) As of the date of this report, the Monitor has agreed to maintain future lease payments to 7 lease agreements:

(i) Lease agreement with Navstar Capital (Bank of Montreal) for the purchase of a 2020 International truck and a 2020 Tremcar 1000LT Tank;

(ii) Lease agreement with Meridian OneCap Credit Corp. for the purchase of a 2019 Takeuchi Mini Excavator;

(iii) Lease agreement with DLL for the purchase of two 2021 Takeuchi TL8CRWH Track Loaders;

(iv) Lease agreement with DLL for the rental of a MX3051 and MX3071 printers;

(v) Lease agreement with DLL for the rental of a MX3071 printer;

(vi) Lease agreement with DLL for the rental of a MX4071 printer; and

(b) As of the date of this report, the Monitor has agreed to pay in full 1 lease agreement:

(i) The first lease agreement, with Epiroc Financial Solutions (formerly known as Atlas Copco Canada Inc,) for the purchase of a 2016 Flexiroc D65 SF drill. There was only one monthly lease payment outstanding. The Monitor intends to list the drill for auction. The equipment is redundant as CFI had outsourced their drilling operations for the past several years; and

(ii) The Monitor has also been in communication with Komatsu International (Canada) Inc. ("**Komatsu**"), beneficiary of 13 lease agreements for various equipment with the Company. Komatsu has agreed to suspend future payments on these lease agreements through the SISP.

(c) The Monitor continues to work with the following lessors with respect to the following equipment lease agreements:

i. An agreement between the Monitor and Caterpillar Financial Services Limited, beneficiary of 3 lease agreements for various equipment with the Company;

ii. An agreement between the Monitor and Ford Credit Canada Leasing, beneficiary of 5 lease agreements for various light duty trucks with the Company; and

iii. Lease agreement, with Quadra Chemicals Ltd. for the purchase of a Flocculant Application System.

(d) As of the date of this Third Report, the Monitor has not received notice of an application for an order in accordance with s. 32(2) of the CCAA for any disclaimed leases.

g) Real property leases – On April 7, 2022, the Monitor disclaimed or resiliated 8 real property rental agreements that CFI was a party to by sending each counterparty a notice (Form 4) of disclaimer pursuant to s. 32 of the CCAA. The Monitor could not locate written agreements for all properties. The 8 real property leases disclaimed are:

i. Residential lease with Arthur Hann dated the 10th day of August, 2020 for the real property at 63 Laurentian Avenue, in the Town of St. Lawrence, in the Province of Newfoundland and Labrador. The rental unit was vacated at the beginning of the

Interim Receivership and was thoroughly cleaned by CFI employees;

ii. Residential lease, if any, with Tobin's Efficiency Units of the real property at 65A, 65B and 65C Water Street and 19 Laurentian Avenue, in the Town of St. Lawrence, in the Province of Newfoundland and Labrador. The rental units were vacated at the beginning of the Interim Receivership and was thoroughly cleaned by CFI employees.

iii. Residential lease with Edward Kelly dated the 21st day of November, 2019 of the real property at 89 Water Street East, in the Town of St. Lawrence, in the Province of Newfoundland and Labrador. The rental unit was vacated at the beginning of the Interim Receivership and was thoroughly cleaned by CFI employees.

iv. Residential lease with Hubert Beck dated the 1st day of November, 2020 of the real property at 120 Laurentian Avenue, in the Town of St. Lawrence, in the Province of Newfoundland and Labrador. The rental unit was vacated at the beginning of the Interim Receivership and was thoroughly cleaned by CFI employees.

v. Residential lease with St. Lawrence Pharmacy dated the 8th day of October, 2020 of the real property at 7978 Riverside Drive, in the Town of St. Lawrence, in the Province of Newfoundland and Labrador. The rental unit was vacated at the beginning of the Interim Receivership and was thoroughly cleaned by CFI employees.

Each Form 4 dated April 7, 2022 was sent by registered mail. The Monitor has not received notice from the parties that they intend to dispute the disclaimer of the agreements, and the 15 days provided to make application to the court for an order that the agreement is not disclaimed has passed.

vi. Prior to the insolvency proceedings the Company has terminated leases at 194 and 15 Laurentian, St. Lawrence, and 64 Atlantic Street, Marystown.

vii. The Monitor has retained 1 lease at 11 Pollux Crescent, St. Lawrence and continues to pay in the normal course.

h) Supply Agreements – The Company has entered into various supply agreements with customers for the sale of acid grade fluorspar, and certain supply agreements with vendors. The review of those agreements is ongoing and it's the Monitors view that claims, if any, can be dealt with in any claims process should one be ordered by the Court.

THIRD PARTY ASSETS

20. The Monitor has developed a process to receive and evaluate claims from stakeholders for the return of property owned by third parties using Form 74 of the *Bankruptcy and Insolvency Act*. The Monitor has received and accepted, or partially accepted claims for reclamation of property owned by Air Liquide Canada Inc., T R Excavating Inc., Blue Water Newfoundland Ltd, GFL Environment Inc., Modspace, General Auto and Industrial (operating as NAPA Auto Parts 6305). The assets subject to these claims have been returned to the owner. Details are noted here:

a) A claim from Air Liquide Canada Inc. for gas cylinders and welding equipment. The Monitor partially accepted this claim for the cylinders, as CFI does not have ownership rights for the cylinders per the agreement. The Monitor has disallowed the portion of this claim relating to the welding equipment, as the equipment was sold to CFI. Air Liquide has retrieved all of their cylinders from CFI;

b) A claim from T R Excavating Inc. for a tire loaned to CFI prior to the Interim Receivership. The Monitor accepted this claim for the tire. T R Excavating Inc. has retrieved the tire from CFI;

c) A claim from Blue Water Newfoundland Ltd. for totes used for the transportation of oil purchased by CFI. The Monitor accepted this claim in its entirety. Blue Water Newfoundland Ltd. has retrived their totes;

d) A claim from GFL Environment Inc. for waste dumpsters located at Company sites. The Monitor has kept certain dumpsters and has accepted the claim for the dumpsters not being used. GFL Environment Inc. has retrieved their dumpsters;

e) A claim from Modspace for the rental of a furnished portal office trailer. The Monitor has accepted the claim. Modspace has retrieved their trailer; and

f) A claim from General Auto and Industrial (operating as NAPA Auto Parts 6305). The Monitor is currently reviewing this claim.

21. The Monitor has received claims for the return of property from Pardys Recreation and Marine Limited, and Pennecon Grand Banks Warehousing. Those claims have been rejected by the Monitor.

EMPLOYEES

22. As of the date of this Third Report, there are 37 employees employed with the Company;

23. A summary of the terminations made by the Company and the Monitor as a result of the insolvency proceedings are noted below. The terminations, starting on February 21, 2022 through to February 24, 2022 all being part of the Company's plan to enter into a care and maintenance mode and wind down operations into that operating status.

Date of Termination	Active Employees Terminated	Inactive Employees Terminated	Total Terminations
February 21, 2022	8		**8**
February 22, 2022	17		**17**
February 23, 2022	171	1	**172**
February 24, 2022	13	13	**26**
March 4, 2022	5		**5**
March 8, 2022	2		**2**
March 9, 2022	1		**1**
March 15, 2022	3		**3**
March 17, 2022	2		**2**
March 21, 2022	1		**1**
Totals	**223**	**14**	**237**

24. In addition, GTL, in its capacity as Interim Receiver, terminated 2 employees on February 22, 2022.

25. All other terminated employees were terminated by the Company on the dates as noted above as the care and maintenance plan was executed and further refined.

26. The Monitor considers all these terminations permanent.

27. Based on advice provided by CFI management team, the Monitor considers the current work force level of 37 is what is required to continue to preserve and protect the business and assets of the Company in a care and maintenance mode. No further reductions are anticipated; however, the Monitor will continue to evaluate this need, and the circumstances of the business and its assets, and retain and employ those parties whose

experience and skill sets are required to continue to preserve and protect the business and assets for the benefit of the stakeholders.

NOTICES AND STATUTORY REPORTING

28. The Monitor has reported to the Court in the Second Report on the CCAA statutory notices. The Monitor continues to update the estate's website at www.canadafluorspar.ca/cfi providing estate stakeholders updates when available.

29. The Monitor, together with CFI management continues to work to update and bring current statutory filings with the Canada Revenue Agency ("**CRA**"), Workplace NL, etc. That work is ongoing.

30. CRA is in the process of completing a payroll trust examination for Canadian employees covering the prefiling pay period in the calendar year 2022. The Monitor has been advised that there are no issues and that no property claim will be forthcoming. The Monitor expects there to be a claim related to unremitted withholding taxes related to non-residents.

INTERIM RECEIVING BORROWING AND DIP LOAN

31. As previously reported to the Court, the DIP Lenders agreed, subject to certain conditions, to loan the Interim Receiver and the Company a maximum $6.5 million. The DIP loan was funded 50/50 by Bridging and PNL. The DIP Loan contemplated an initial advance of $1.8 million from each of the DIP Lenders for a total of $3.6 million, and subject to certain conditions being met, a Second Advance of $1.45 million from each DIP Lender.

32. Due to the timing of various court proceedings and the cash requirements of the Company, the DIP Lenders agreed that Bridging would make their initial advance within the Interim Receivership. The Interim Receiver made the advance request by executing an Interim Receiver Certificate for $1.8 million and sending it to Bridging. Bridging accepted the Interim Receivers request.

33. Pursuant to the Interim Receivership Order, this $1.8 million advance is secured by the Interim Receiver's Borrowing charge.

34. The Court approved in the ARIO, a DIP Loan to a maximum of $4.7 million, and authorized the Monitor to sign the DIP Financing Agreement. The Monitor has signed that agreement and returned a fully executed copy to the DIP Lenders.

35. The Monitor reviewed the conditions precedent to the initial funding with the DIP Lenders and advised that they had been met.

36. The Monitor made an advance request by issuing a Draw Down Request Certificate for $1.8 million and sending it to PNL. PNL accepted the Monitors request and made the advance.

37. After the deadline of April 20, 2022 for the SISP Phase 1 bids (delivery of non-binding LOI's), the Monitor reviewed the Phase 1 bids with the DIP Lenders and the Company.

38. The Monitor recommended certain Phase 1 bids be qualified as Phase 2 bidders, triggering Phase 2 of the SISP. The DIP Lenders supported this recommendation.

39. The Monitor reviewed the conditions precedent to the second advance with the DIP Lenders and advised that they had been met.

40. The Monitor made a second advance request by issuing Draw Down Request Certificates for $1.45 million and sending them to each of Bridging and PNL. Bridging and PNL accepted the Monitors request and made the advances.

41. The initial advance of PNL and the second advance of Bridging and PNL is secured by the DIP Lenders Charge.

42. The DIP loan has been fully advanced as follows:

		Interim Receivership	CCAA	
Bridging				
	Initial Advance	1,800,000		
	Second Advance		1,450,000	
PNL				
	Initial Advance		1,800,000	
	Second Advance		1,450,000	
		1,800,000	4,700,000	6,500,000

43. The Monitor has not made any payments on the Interim Receivers Borrowing Charge or the DIP Loan and the advance of $6,500,000 plus interest and other expenses remains outstanding.

SALE OF INVENTORY

44. Pursuant to paragraph 30(b)(iv)(B), the Monitor has the power to sell the Company's inventory of Calcium Fluorite Fluorspar CaF2 ("**Fluorspar**").

45. The Company had inventory in the following locations:

a) Rotterdam, Netherlands – The Company has approximately 180 dry metric tons of fluorspar at a third-party warehouse. The inventory located here was processed to specifications for a specific customer and is therefore not widely marketable. In addition, such a small volume does not make it economical to ship. The rent to the third-party warehouse was also outstanding. The Monitor did not continue with rent payments. The Monitor made attempts to sell to that specific customer and was unsuccessful. Given the above, there is no value in the estate in pursuing this sale, and the Monitor has abandoned the inventory to the third-party warehouse.

b) The Company had approximately 8,845 dry metric tons in storage at the mine site in St. Lawrence. The inventory is stored inside and protected from the environment, on a concrete slab and within an enclosed storage building.

46. The priority of proceeds related to the sale of inventory was subject to a dispute between the senior secured creditors, HSBC, Bridging and PNL. CFI's management, supported by the Monitor, undertook extensive research and planning on marketability, ability to transport and logistics, costs to liquidate, market conditions by making inquiries with customers and fluorspar commodity brokers on willingness to purchase, pricing, timing and terms. In addition, CFI's management supported by the Monitor undertook to research and understand the risks associated with each facet of completing a sale of the inventory located at the mine site. That information was shared with HSBC, Bridging and PNL.

47. After discussion with the parties, HSBC, Bridging, and PNL resolved the dispute and entered into a Settlement Proceeds Agreement. A copy of that agreement is attached hereto as **Appendix** "**B**".

48. That agreement provided that the Monitor would seek to sell the existing inventory and outlined how the proceeds of sale were to be distributed, essentially being firstly the costs of sale, secondly $2,118,000 USD to HSBC, and thirdly the residual to remain with the Monitor in the CCAA proceeding.

49. The industry standard for the sale of Fluorspar is dry metric tons, calculated as wet metric tons less the calculated moisture percentage, priced in USD.

50. Certain existing customers were willing to purchase 7,500 dry metric tons of Fluorspar.

51. CFI with the support of the Monitor, canvassed certain parties who expressed interest in acquiring the Fluorspar inventory as to what price they would pay for the inventory with terms determined by the Monitor to best protect the interest of the estate and its stakeholders, being payment (in trust) up front, FOB Marystown, with a hold back to account for final moisture testing of 2% of purchase price.

52. The monitor canvassed certain parties as to selling the inventory and received offers ranging from $485 USD a dry metric ton to $550 USD a dry metric ton.

53. The proposed pricing and terms were significantly better than terms included in the proposed sale that existed at the beginning of the insolvency proceeding. Three of the Company's customers had previously issued purchase orders to acquire 7,500 dry metric tons of Fluorspar for a blended price of $405 USD per dry metric ton and required the Company to pay for the cost of shipping to Rotterdam. The Interim Receiver and Monitor neither had the capacity nor funding to complete the proposed transaction.

54. After consulting with secured creditors, the Monitor accepted an offer for $550 USD per dry metric ton for the inventory from Fluorsid Noralf AS ("**Fluorsid**") on the terms proposed by the Monitor. The increased price, coupled with eliminating the vessel cost for the Company at an estimated cost savings of $350,200 USD, was a substantial improvement in the economics of the sale of the inventory for the Company, and therefore the stakeholders in the CCAA proceeding. A copy of that agreement is attached hereto as **Appendix "C".**

55. The Company worked extensively with Fluorsid to coordinate a vessel of sufficient size and dimensions to allow shipment from Marystown. In addition, CFI entered into various service agreements with vendors, and developed a schedule for CFI staff, all to support the loading of the vessel. The mechanics of loading was to have CFI staff load third party trucks at the mine site, who would then deliver to CFI staff operating the loading conveyors dockside. The operations were to run 24 hours a day, weather permitting, until loading of the vessel was complete.

56. CFI commenced loading the inventory onto the vessel Janet C in Marystown, Newfoundland and Labrador for shipment to Fluorsid's destination of choosing in Europe on April 28, 2022.

57. On Sunday May 1, 2022, the third-party trucking company commenced a work stoppage and formed a blockade of the vessel preventing access to the loading conveyors. That blockade continued until approximately 5:27pm on Monday May 2, 2022 at which point loading of the vessel continued.

58. On May 2, 2022, an Arrest Warrant was filed by Farrell's Excavating Ltd. and Farrell's Fuels Ltd. (collectively known as "**Farrell's**") against Canada Fluorspar (NL) Inc. and the vessel Janet C along with its owners and cargo as part of an application made in Federal Court in Halifax, Nova Scotia on May 2, 2022. Further details on this legal proceeding are discussion in the section titled "Legal Proceedings".

59. Ultimately, the vessel was successfully loaded and departed port on May 5, 2022.

60. A final invoice was issued to Fluorsid pursuant to the terms of the inventory sale agreement. Proceeds, net of the 2% holdback were released to the Monitor and HSBC pursuant to the Inventory Settlement Agreement. The Monitor agreed to leave $60,000 USD in trust with legal counsel pending determination of demurrage and other costs that may result from the blockade. Fluorsid acknowledged the above and the Monitor directed legal counsel to make the appropriate payments. A copy of the invoice package is attached hereto as **Appendix "D"**.

61. The final accounting of the sale is as follows (all in USD):

a) Fluorsid owes the Monitor $25,205.18 USD;

b) A holdback of $89,042.55 USD remains with Cox & Palmer in trust, pending final moisture testing;

c) A holdback of $60,000 USD remains with Cox & Palmer in trust pending final resolution of demurrage and other costs as a result of the blockade;

d) Payment to HSBC in the amount of $2,118,000 USD pursuant to the Settlement Proceeds Agreement;

e) Payment of $2,159,827.95 USD to the Monitor;

f) Calculated as follows:

Actual Invoice		4,452,127.68
Proforma Invoice Payment		4,426,922.50
	Balance Due	25,205.18
Funds		4,426,922.50
	Bank Charges	(52.00)
		4,426,870.50
	2% Holdback	(89,042.55)
	Demurrage and other costs	(60,000.00)
		4,277,827.95

62. The final determination of the moisture content and additional demurrage and other costs will be resolved in the future.

63. The completion of the sale of the inventory resulted in a significant positive outcome for the estate.

SALES AND INVESTMENT SOLICITICATION PROCESS ("SISP")

64. On March 21, 2022 the Court approved the SISP Order and SISP Procedures. A copy of the SISP Order and SISP Procedures is attached hereto as **Appendix "E"**.

65. The Monitor has disclosed details of the SISP on its website at www.grantthornton.ca/cfi.

66. The Monitor has completed the following:

a) Event 1 – Solicitation Letter - Solicitation letters were sent to potentially interested parties on March 20, 2022.The interested parties list was developed using information provided by Bridging, parties who reached out to GTL during the Interim Receivership proceeding, industry research provided by various stakeholders, and Company information. The teaser, draft non-disclosure agreement ("**NDA**"), Solicitation Letter and SISP Procedures were completed and posted to the Monitor's website and included in Virtual Data Room ("**VDR**").

b) Event 2 - CIM and VDR - Opened the VDR on March 24, 2022 to parties who had returned the signed NDA. Published the Confidential Information Memorandum ("**CIM**") to the VDR on April 1, 2022. The Monitor, together with the Company and legal counsel utilizing a due diligence tracking tool identified 195 information points that were populated in the VDR, where possible. In addition, the VDR is on a platform called Firmex which notified all registered users on a daily basis when new information is posted to the VDR, enabling the Monitor to treat all interested parties fairly.

c) Event 3 – Phase 1 Qualified Bidders & Bid Deadline – The Monitor, after consulting with the DIP Lenders and the Company, extended the deadline to submit non-binding LOI's ("**LOI's**") from Sunday April 17, 2022 to Wednesday April 20, 2022 at 5:00 PM Newfoundland Standard Time. The extension was communicated to interested parties to avoid the submissions being due on the Sunday of the Easter long weekend. Notice of this extension was also provided to the Service List. A copy of the notice is attached hereto as **Appendix "F"**.

67. Known interested parties were contacted by email, where possible, on March 20, 2022. To the date of this report the Monitor has contacted 126 parties from around the world.

68. The Monitor posted advertisements of the SISP in the National Post, The Globe & Mail, and the Evening Telegram on March 29, 2022. A copy of the advertisement is attached hereto as **Appendix "G"**.

69. A press release was issued on April 11, 2022, a copy of which is attached hereto as **Appendix "H"**.

70. The Monitor has also established a communication process to manage and track interested party questions, have them directed to the best person to respond, and get responses back, where possible, in a timely manner.

71. Multiple LOI's were received by the Monitor by the Phase 1 Bid Deadline. The Monitor, in consultation with the DIP Lenders and the Company reviewed the LOI's.

72. On April 21, 2022, after consultation with the DIP Lenders and the Company, the Monitor, proceeded to qualify more than 5 LOI's to proceed to Phase 2 of the SISP process as Phase 2 Qualified Bidders.

73. The Monitor received the following feedback from interested parties during the SISP:

a) Interested parties are very sensitive to disclosure of their participation given the global industry for Fluorspar is relatively small;

b) Completing the National Instruments 43-101 ("**43-101**") report, which the Monitor understands is a technical report that provides a summary of material scientific and technical information concerning the mineral exploration, development, and production activities on a mineral property, was very important for the participants in the process. Completion of the 43-101 was included as a requirement in many of the LOI's, was likely to be a condition on closing, and was likely to drive improved offers from interested parties; and

c) Global demand for Fluorspar has increased over the period of the CCAA resulting in many parties seeking to secure the supply from CFI should the mine return to operation and increasing market price per dry metric ton. Both are factors which would improve the economics of the investment opportunity.

74. Given the feedback from the market, and the favorable outcome from the sale of the Fluorspar inventory, the DIP Lenders agreed to fund the completion of the 43-101.

75. The Monitor has contracted with independent service providers to complete this reporting and it is expected to be available on, or around June 6, 2022. The Phase 2 Qualified Bidders have been advised of this development.

76. As a result of this, the Monitor extended the Phase 2 Bid Deadline to submit a definitive offer to 5:00 PM Newfoundland Standard Time on June 17, 2022. Notice of this extension

was also provided to the Service List. A copy of this notice is attached hereto as **Appendix "I"**.

77. Phase 2 Qualified Bidders have advised that there is insufficient time to incorporate the 43-101 report into definitive offers by June 17, 2022 assuming it is available June 6, 2022.

78. As a result of improved market conditions, market feedback, and favorable inventory sales, the Monitor has recommended, and the DIP Lenders have agreed, to seek the Courts approval for the extension of the SISP.

79. The Monitor continues to respond to Phase 2 Qualified Bidders queries, manage and update the VDR when appropriate, facilitate discussion between Phase 2 Qualified Bidders and various stakeholders, CFI's senior management, and lenders, facilitate site tours, and hold calls with various Phase 2 Qualified Bidders.

LEGAL PROCEEDINGS

80. Other than the CCAA proceeding, the estate is involved in 2 other active legal proceedings:

    a) On May 2, 2022, in Federal Court, a Statement of Claim was filed by Farrell's against the Company and an arrest warrant was issued for the vessel Janet C along with its owners and cargo as part of an application made in Federal Court in Halifax, Nova Scotia on May 2, 2022. The claim is in relation to the loading of the vessel for the sale of the inventory to Fluorsid, and for prefiling unsecured debts. Through a consent order the arrest was lifted. A copy of the statement of claim and related materials are attached hereto as **Appendix "J"**. The Monitor is vigorously defending the claim.

    b) On February 16, 2022, in Federal Court, a Statement of Claim was filed by Inaminka Marine Services Limited ("**IMS**") against the Company and an arrest warrant was issued for the barge owned by the Company. The claim is in relation to consulting services provided to the Company in relation to the barge. A copy of the statement of claim and related materials are attached hereto as **Appendix "K"**. The barge remains in place at Marbase in Marystown, NL. The Monitor will be vigorously defending this claim.

81. The Monitor has consented to the filing of various statements of claim by lien holders in order to perfect their lien claims. The lien claims will be dealt with in a claims process should one be approved by the Court.

INTERIM RECEIVER DISCHARGE

82. The Interim Receivership has been completed. The Interim Receiver has made application for discharge pursuant to the Bankruptcy and Insolvency Act. A copy of the discharge materials has been sent to the creditors in accordance with the BIA and are attached hereto as **Appendix "L"**.

ACTIVITIES OF THE MONITOR - OTHER

83. The Monitor has continued to complete the following:

   a) The Monitor has continued to fully fund payroll for the remaining employees to Ceridian Canada Ltd. ("**Ceridian**") and has paid all outstanding wages. Ceridian has remitted all applicable source deductions to the Crown on behalf of the Monitor;

   b) The Monitor has confirmed that the last HST return filed by the Company was December 2021. The Monitor is currently working on filing the outstanding returns;

   c) The Monitor has confirmed that the last corporate T2 tax return filed was for the fiscal year ended December 31, 2019. The Monitor has reached out to the tax preparer to inquire as to the status of the 2020 T2 tax return. The Monitor has been informed by the Company that CFI has significant carry forward losses and has no corporate tax liability for the 2020 fiscal year end.

84. The Mineral Lands Division of the Province of Newfoundland and Labrador have agreed to treat certain required payments owed by CFI under the Mineral Act RSNL 1990, c. M-12 as cure costs, with expected payment in June 2022. In light of the request for an extension to the SISP, the Monitor will forward payment to the Mineral Lands Division for all outstanding fees in June 2022.

MATERIAL ADVERSE CHANGE

85. The Monitor is not aware of any issue or condition that could be considered a Material Adverse Change pursuant to s.23(1)(d), or the DIP Financing Agreement.

86. The Monitor continues to be of the opinion that s.23(1)(h) does NOT apply and it would be more beneficial to the Company's creditors to continue with the SISP within the CCAA proceeding.

CHANGES TO THE SALES AND INVESTMENT SOLICITATION PROCESS

87. Upon recommendation by the Monitor, the DIP lenders have agreed to retain external service providers to finalize the 43-101 report. The final report is expected to be received on or around June 6, 2022.

88. At this time, the Monitor has communicated to all of the participants in Phase 2 that it will extend the Phase 2 Bid Deadline to June 17, 2022;

89. The Monitor is further requesting that the ARIO, and the SISP Order contained within, be amended to extend the process as follows:

5. Phase 2 Bid Deadline & Qualified Bidders Phase 2 Bid Deadline (for delivery of definitive offers by Phase 2 Qualified Bidders in accordance with the requirement of paragraph 21 of the Bidding Procedures)	By no later than July 22, 2022, at 5:00 p.m. (Newfoundland Standard Time)
6. Auction Auction Commencement Date (if needed)	By no later than July 29, 2022
7. Selection of final Successful Bid Deadline for selection of final Successful Bid	By no later than August 5, 2022, at 5:00 p.m. (Newfoundland Standard Time)
8. Definitive Documentation Deadline for completion of definitive documentation in respect of Successful Bid	By no later than August 12, 2022
9. Approval Motion – Successful Bid	By no later than August 19, 2022

Deadline for filing of Approval Motion in respect of Successful Bid	
<u>10. Closing – Successful Bid</u> Anticipated deadline for closing of Successful Bid being the Target Closing Date	September 2, 2022 or such earlier date as is achievable
<u>11. Outside Date – Closing</u> Outside Date by which the Successful Bid must close	September 16, 2022

90. The Monitor is of the opinion, based on conversations with various Phase 2 participants, that this will allow additional time for all Phase 2 participants to conduct additional due diligence, review the 43-101 report and incorporate this information into binding offers.

91. The Monitor believes that this will enhance the chances of receiving binding offers at the Phase 2 Bid Deadline and may result in improved offers from the LOIs received by the Monitor. This would improve the chances of a successful SISP, and therefore is in the best interest of the stakeholders.

92. The extension of time requested in the SISP is slightly less than 2 months, and it is the Monitors opinion, on balance, the extension is reasonable in the circumstances.

93. The DIP Lenders, who are also the primary secured creditors, are supportive of the extension as proposed.

94. A described more fully described below, the Monitor can fund the extension utilizing the net proceeds from the sale of the Fluorspar inventory and stretch the DIP funds further given the Monitor is tracking ahead of budget.

CASH FLOW UPDATE AND REVISED FORECAST

95. The Monitor has prepared an analysis of budget to actual as of May 8, 2022. This is attached hereto as **Appendix "M"**. Overall, the Monitor is tracking ahead of budget on a net basis.

96. The Monitor has prepared a revised cash flow forecast, attached hereto as **Appendix "N"** (the "**Revised Cash Flow Forecast**") as a result of the Monitor's proposed extension to

the SISP. The Cash Flow Forecast covers the period from May 9, 2022 to August 31, 2022 (the "**Revised Cash Flow Period**");

97. The Cash Flow Forecast has been prepared by the Monitor using probable and hypothetical assumptions set out therein (the "**Probable and Hypothetical Assumptions**");

98. The requirement of s. 23(1)(b) of the CCAA states that the Monitor is to review the Revised Cash Flow Forecast for reasonableness. As the Directors of the Company have resigned, the Monitor has prepared the Revised Cash Flow Forecast based on the actual expenses incurred since the date of the Interim Receivership and Initial Order. The Monitor is of the opinion that the Revised Cash Flow is reasonable in all material respects:

(a) The Probable and Hypothetical Assumptions are consistent with the purpose of the Revised Cash Flow Projection;

(b) As at the date of this Third Report, the Probable and Hypothetical Assumptions developed by the Monitor are suitably supported and consistent with the Company's plans and provide a reasonable basis for the Revised Cash Flow Forecast;

(c) The Revised Cash Flow Forecast reflects the Probable and Hypothetical Assumptions.

99. The Company's cash position, held in trust with the Monitor, as of the date of this Third Report is estimated to be approximately $5.5M. The Company is forecasting future disbursements from the date of this report through to August 28, 2022 of approximately $3.5M.

GENERAL COMMENTS ON THE CASHFLOW

100. In addition, the Monitor makes the following general comments on the Revised Cash Flow Forecast:

(a) Forecasted receipts include the sale of certain leased equipment as gross funds received, to be netted against the Lease Buyout costs;

(b) Disbursements appear to be consistent with the level of operations since the date of the Initial Order;

(c) The Revised Cash Flow Forecast includes the encumbering of estimated priority claims by the Canada Revenue Agency and Employment and Social Development

Canada relating to WEPPA. The Monitor understands a portion of those claims would have priority over the secured creditors in relation to the Company's current assets;

(d) Disbursements include forecast payments to the Company's legal counsel and financial advisors, and the Monitor and its legal counsel.

101. The Monitor has the funds in place to support the requested extension of the SISP.

WAGE EARNERS PROTECTION PROGRAM ACT

102. In accordance with s. 5(1) of WEPPA, an individual is eligible to receive payment under WEPPA if, among other things:

(a) The individual's employment ended as a result of the CCAA;

(b) The individual is owed eligible wages by the former employer;

(c) The Court determines that, under s. 5(5) of WEPPA, the criteria prescribed by regulation are met.

103. Further, s. 3.2 of the WEPP Regulations states the following:

(a) For the purposes of s. 5(5) of WEPPA, a Court may determine whether the former employer is the former employer all of whose employees in Canada have been terminated other than any retained to wind down its business operations.

104. As of the date of the Interim Receivership, CFI had employed approximately 261 active employees, primarily located in St. Lawrence, Newfoundland and Labrador. A total of 237 people were terminated as a result of the wind down in operations, including employees on various types of leave.

105. The Monitor is of the view that the employment of all terminated employees was the result of a winding down of operations into a care and maintenance mode and considers the terminations permanent. As such, the Monitor requests the Court to declare that CFI is a former employer for the purposes of s. 5(5) of WEPPA.

106. The Monitor has been in correspondence with individuals from Employment and Social Development Canada, the Government of Canada agency responsible for assessing and implementing WEPP policy, to provide information on the CCAA Proceedings and enquire on the WEPP eligibility criteria and application in these circumstances. Based on the Monitor's description of the CCAA Proceedings and the employee terminations as of the

date of this Third Report, Employment and Social Development Canada advised the Monitor that it did not have any concerns regarding the application of WEPPA in these circumstances.

107. Employment and Social Development Canada advised that the date of the WEPP Order, if granted, would be the eligible date for CFI and its former employees to become eligible under WEPPA.

108. To date, the Monitor has collected 215 proof of claims from terminated employees, representing over 90% of the terminated employees.

109. The Monitor is prepared to submit the Trustee Information Forms, as required by Employment and Social Development Canada, for 215 proof of claims submitted by terminated employees, should the Court grant the WEPP Order.

110. The Monitor believes it is appropriate to grant the WEPP Orders and recommends the granting of the WEPP Order.

EXTENSION OF THE STAY OF PROCEEDINGS

111. The stay of proceedings currently expires on July 10, 2022.

112. The Monitor is requesting of this Court an extension of the stay of proceedings to September 2, 2022, the proposed Closing Date of a Successful Bid, to allow for the completion of the Monitor's proposed extension of the SISP.

113. As demonstrated in the Revised Cash Flow Forecast, the Company is forecasted to have sufficient liquidity to fund the current level of operations and obligations and costs of the CCAA proceeding through to the end of the requested extension of the stay of proceedings.

114. For the reasons set out in this Third Report, the Monitor is of the view that the relief requested is reasonable and respectfully recommends that this Court amend the ARIO to and grant the requested relief.

RECOMMENDATION

115. For the reasons set out in this Third Report, the Monitor is of the view that the relief requested is reasonable and respectfully recommends that this Court 1) amend the SISP timelines as proposed by the Monitor, 2) amend the ARIO to extend the stay of proceedings to September 2, 2022 to allow the completion of the amended SISP timelines, and 3) grant the WEPP Order.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 30th day of May 2022.

GRANT THORNTON LIMITED,
SOLELY IN ITS CAPACITY AS MONITOR
OF THE COMPANY, AND NOT IN ITS PERSONAL CAPACITY

Per: ______________________________

Phil Clarke, CPA, CA, CIRP, LIT

Senior Vice-President

Appendix "A"

2022 01G 0709

IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR

IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF an application of Canada Fluorspar (NL) Inc., and Canada Fluorspar Inc., by their Court Appointed Interim Receiver, Grant Thornton Limited.

AND IN THE MATTER OF the *Companies' Creditors Arrangement Act*, R.S.C. 1985, C. c-36, as amended

AMENDED AND RESTATED INITIAL ORDER

BEFORE THE HONOURABLE JUSTICE MACDONALD

THIS APPLICATION, made by Grant Thornton Limited, in its capacity as Court-Appointed Interim Receiver of Canada Fluorspar (NL) Inc., and Canada Fluorspar Inc., (the "**Interim Receiver**" or the "**Applicant**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") for an Order substantially in the form filed with the Application was heard this 11th day of March, 2022.

ON READING the affidavit of Phil Clarke sworn the 8th day of March, 2022 (the "**Clarke Affidavit**") and the Exhibits thereto, the consent of Grant Thornton Limited ("**GTL**") to act as Court-appointed monitor of Canada Fluorspar (NL) Inc. Canada Fluorspar Inc., and Newspar (a General Partnership) (in such capacity, the "**Monitor**"), and the Pre-Filing Report of GTL as Interim Receiver;

ON READING, the report of GTL as Monitor dated the 15th day of March, 2022;

ON HEARING the submissions of counsel for the Applicant, legal counsel for the Company (as defined herein), and such other counsel that were present, no one else appearing for any party although duly served as outlined in the affidavit of service dated the 10th day of March, 2022, and on reading the consent of GTL to act as Monitor;

SERVICE

Filed March 21, 22

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Materials filed, as set out in the affidavit of service is hereby deemed adequate notice so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPLICATION

2. **THIS COURT ORDERS AND DECLARES** that Canada Fluorspar (NL) Inc., Canada Fluorspar Inc., and Newspar (a General Partnership) (collectively the "**Company**") is a company to which the CCAA applies.

3. Capital terms not otherwise defined herein shall have the meaning ascribed to them in Schedule "A"

PLAN OF ARRANGEMENT

4. **THIS COURT ORDERS** that the Monitor, on behalf of the Company, shall have the authority to file and may, if deemed appropriate and subject to further order of this Court, file with this Court a plan of compromise and arrangement (hereinafter referred to as the "**Plan**".

POSSESSION OF PROPERTY AND OPERATIONS

5. **THIS COURT ORDERS** that the Company shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof, save and except the Excluded Property (the "**Property**"). Subject to further Order of this Honourable Court, the Monitor on behalf of the Company, shall continue to carry on business in a manner consistent with the preservation of its business (the "**Business**") and Property. The Monitor is authorized and empowered to continue to retain and employ the employees, consultants, independent contractors, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of its Business or for the carrying out of the terms of this Order.

6. **THIS COURT ORDERS** that the Monitor, on behalf of the Company, shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

   (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements;

   (b) the fees and disbursements of any Assistants retained or employed by the Company in respect of these proceedings, at their standard rates and charges; and

   (c) in consultation with the DIP Lender, amounts owing for goods and services supplied to the Company, if in the opinion of the Monitor, the supplier or vendor of such goods or services is necessary for the operation and preservation of the Business or Property.

7. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the Monitor, on behalf of the Company, shall be entitled but not required to pay all reasonable expenses incurred by the Company in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

   (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance, maintenance and security services and lease payments for mining equipment used in the operation of the Business; and

   (b) payment for goods or services actually supplied to the Company following the date of this Order.

8. **THIS COURT ORDERS** that the Monitor, on behalf of the Company, shall remit, in accordance with legal requirements, or pay:

   (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;

(b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Company in connection with the sale of goods and services by the Company, but only where such Sales Taxes are accrued or collected after the date of this Order, and

(c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Company.

9. **THIS COURT ORDERS** that until a real property lease is disclaimed in accordance with the CCAA, the Monitor, on behalf of the Company, shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Company and the landlord from time to time ("**Rent**"), for the period commencing from and including the date of this Order. The Monitor, on behalf of the Company, may pay such Rent twice monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

10. **THIS COURT ORDERS** that, except as specifically permitted herein, the Monitor, on behalf of the Company, is hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Company to any of its creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

11. **THIS COURT ORDERS** that the Monitor, on behalf of the Company shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the Definitive Documents (as defined hereinafter), have the right to:

(a) Permanently or temporarily cease, downsize or shut down any of its business or operations, and to dispose of redundant or non-material assets not exceeding $500,000 in any one transaction or $2,500,000 in the aggregate;

(b) Terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate; and

(c) Pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing.

All of the foregoing to permit the Monitor, on behalf of the Company, to proceed with an orderly restructuring of the Business (the "**Restructuring**").

12. **THIS COURT ORDERS** that the Monitor, on behalf of the Company, shall provide each of the relevant landlords with notice of the Company's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Company's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Monitor, on behalf of the Company, or by further Order of this Court upon application by the Monitor on at least two (2) days notice to such landlord and any such secured creditors. If the Monitor disclaims the lease governing such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer of the lease shall be without prejudice to the Company's claim to the fixtures in dispute.

13. **THIS COURT ORDERS** that if a notice of disclaimer is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer [or resiliation], the landlord may show the affected leased premises to prospective tenants

a

during normal business hours, on giving the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Company in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST THE COMPANY OR THE PROPERTY

14. **THIS COURT ORDERS** that until and including the 10th day of July, 2022 or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Company or the Monitor, or affecting the Business or the Property,(save and except the Excluded Property), except with the written consent of the Monitor and the Company, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Company or affecting the Business or the Property (save and except the Excluded Property) are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

15. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the Company or the Monitor, or affecting the Business or the Property, (save and except the Excluded Property), are hereby stayed and suspended except with the written consent of the Monitor and the Company, or leave of this Court, provided that nothing in this Order shall (i) empower the Monitor, on behalf of the Company, to carry on any business which the Company is not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

16. **THIS COURT ORDERS** that nothing in this Order shall prevent HSBC from exercising any rights or remedies, taking any enforcement steps, actions or commencing any proceedings against the Company with respect to the Excluded Property.

NO INTERFERENCE WITH RIGHTS

17. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Company, except with the written consent of the Monitor and the Company, or leave of this Court.

CONTINUATION OF SERVICES

18. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Company or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Business or the Company, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Company, and that the Monitor, on behalf of the Company, shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Monitor, on behalf of the Company, in accordance with normal payment practices of the Company or such other practices as may be agreed upon by the supplier or service provider and each of the Monitor and the Company, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

19. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to

advance or re-advance any monies or otherwise extend any credit to the Company. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

APPOINTMENT OF MONITOR

20. **THIS COURT ORDERS** that Grant Thornton Limited is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Company with the powers and obligations set out in the CCAA, (save and except in relation to the Excluded Property) or set forth herein and that the Company and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Company pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

21. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

(a) monitor the Company's receipts and disbursements;

(b) report to this Court at such times and intervals as the Monitor or Court may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;

(c) assist, with consultation with the Company, in its dissemination of reports and other information to the DIP Lender (as defined herein) and their respective counsel, pursuant to and in accordance with the Definitive Documents (as defined herein), or as may otherwise be reasonably requested by the DIP Lender;

(d) execute the DIP Financing Agreement (as defined herein) on behalf of the Company;

(e) advise, in consultation with the Company, in its preparation of the Company's cash flow statements and reporting required by the DIP Lender under the Definitive Documents, which information shall be reviewed with the Monitor and delivered to the DIP Lender and their respective counsel in accordance with the Definitive Documents;

(f) execute any and all documentation, on behalf of the Company, as reasonably necessary or required by the DIP Financing Agreement and the SISP;

(g) run the SISP pursuant to the SISP Order;

(h) advise, in consultation with the Company, in its development of the Plan and any amendments to the Plan, if applicable;

(i) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Company, to the extent that is necessary to adequately assess the Company's business and financial affairs or to perform its duties arising under this Order;

(j) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;

(k) engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other Persons (as defined below) from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Monitor's powers and duties, including those conferred by this Order;

(l) enter into any agreements;

(m) exercise any rights of the Company;

(n) apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and in the name of the Company;

(o) take any and all steps of the Company authorized by any Order made in these proceedings, including making distributions or payments;

(p) purchase or lease machinery, equipment, inventories, supplies, premises or other assets to continue the Business, or any part or parts thereof; and

(q) perform such other duties as are required by this Order or by this Court from time to time.

22. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property but as Monitor shall take part in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business, or any part thereof.

23. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

24. **THIS COURT ORDERS** that nothing herein contained shall make the Monitor liable for any mine closure or environmental and land rehabilitation-related liabilities or obligations in respect of or in any way related to the Property (or caused by or resulting from any matter or thing originating on or coming from the Property). For greater certainty:

(a) Notwithstanding anything in any Environmental Legislation, the Monitor is not personally liable in that position for any environmental condition that arose or environmental damage that occurred:

(i) before the Monitor's appointment; or

2

(ii) after the Monitor's appointment unless it is established that the condition arose or the damage occurred as a result of the Monitor's gross negligence or wilful misconduct.

(b) Nothing in sub-paragraph (a) exempts the Monitor from any duty to report or make disclosure imposed by a law referred to in that sub-paragraph.

(c) Notwithstanding anything in any Environmental Legislation, but subject to subparagraph (a) hereof, where an order is made which has the effect of requiring the Monitor to remedy any environmental condition or environmental damage affecting the Property, the Monitor is not personally liable for failure to comply with the order, and is not personally liable for any costs that are or would be incurred by any person in carrying out the terms of the order,

(i) if, within such time as is specified in the order, within 10 days after the order is made if no time is so specified, within 10 days after the appointment of the Monitor, if the order is in effect when the Monitor is appointed, or during the period of the stay referred to in clause (ii) below, the Monitor:

(A) complies with the order, or

(B) on notice to the person who issued the order, abandons, disposes of or otherwise releases any interest in any real property affected by the condition or damage;

(ii) during the period of a stay of the order granted, on application made within the time specified in the order referred to in clause (i) above, within 10 days after the order is made or within 10 days after the appointment of the Monitor, if the order is in effect when the Monitor is appointed, by,

(A) the court or body having jurisdiction under the law pursuant to which the order was made to enable the Monitor to contest the order; or

(B) the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or

OJ

(iii) if the Monitor had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.

25. **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Company and the DIP Lender with information provided by the Company in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Company is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Company may agree.

26. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

27. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, and counsel to the Company shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Company as part of the costs of these proceedings. The Company is hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor, and counsel for the Company on a weekly basis and, in addition, the Company is hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to the Company reasonable retainers to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

28. **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose, the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Supreme Court of Newfoundland and Labrador in Bankruptcy and Insolvency.

29. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, and the Company's counsel shall be entitled to the benefit of and are hereby granted a charge (the

"**Administration Charge**") on the Property, (save and except the Excluded Property and Excluded Inventory), which charge shall not exceed an aggregate amount of $250,000.00 (which includes the amount provided for in the Interim Receivership Order), as security for their professional fees and disbursements incurred at their respective standard rates and charges of the Monitor and such counsel, both before and after the making of this Order and the Amended and Restated Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 41 and 43 herein.

ENHANCEMENT OF MONITOR'S POWERS

30. **THIS COURT ORDERS** that, without in any way limiting the powers and duties of the Monitor, the Monitor is hereby empowered and authorized, but not obligated, to do any of the following in the name and on behalf of the Company, where the Monitor considers it necessary or desirable:

(a) take any and all actions and steps to manage, operate and carry on the Business, including, without in any way limiting the generality of the foregoing:

(i) any actions or steps the Monitor considers necessary or desirable to proceed with an orderly restructuring or liquidation of the Business;

(i) permanently or temporarily ceasing, downsizing or shutting down any of the Company's operations;

(ii) terminating the employment of or temporarily laying off employees of the Company;

(iii) pursuing all avenues of refinancing the Business or Property, except the Excluded Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing;

(iv) preparing a Plan of Compromise and Arrangement on behalf of one or more of the Applicants;

(v) settling, extending or compromising any indebtedness owing to or by the Company;

(vi) initiating, prosecuting and continuing the prosecution of any and all proceedings and defending all proceedings now pending or hereafter instituted with respect to the Company, the Business, the Property or the Monitor and to settle or compromise any such proceeding;

(vii) taking any and all corporate governance actions for the Company; and

(viii) providing instruction and direction to the advisors of the Company;

(b) preserve, protect and exercise control over the Property, (with the exception of the Excluded Property), or any parts thereof, including, without in any way limiting the generality of the foregoing:

(i) receive, collect and exercise control over all monies and accounts held by or owing to the Company; including any proceeds of the sale of any of the Property (save and except the Excluded Property);

(ii) exercise all remedies of the Company in collecting monies owed or hereafter owing to the Company and to enforce any security held by the Company;

(iii) execute, assign, issue and endorse documents of whatever nature in respect of any of the Property (save and except the Excluded Property) for any purpose pursuant to this Order;

(iv) to market, sell convey, transfer, lease or assign the Property, including running a sales solicitation process, or any part or parts of the Property out of the ordinary course of business;

(A) without the approval of this Court, in respect of any one transaction not exceeding $500,000 or $2,500,000 in the aggregate;

(B) without the approval of this Court in respect of the sale of Fluorspar inventory; and

(C) with the approval of this Court in respect of any other transaction;

2

(c) to report to, meet with and discuss with such affected persons as the Monitor deems appropriate on all matters relating to the Business and the Property, and to share information, subject to such terms as to confidentiality as the Monitor deems advisable;

(d) oversee and direct the preparation and dissemination of financial and other information of the Company in these proceedings, including cash flow statements;

(e) apply to the court for advice and direction or for any further orders in these proceedings, including, without in any way limiting the generality of the foregoing, sale approval and vesting orders and orders extending or terminating the stay of proceedings;

(f) perform such other duties or take any steps reasonably incidental to the exercise of these powers;

and in each case where the Monitor takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other persons, including the Company and without interference from any other person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE MONITOR

31. **THIS COURT ORDERS** that the Company and all its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on their instructions or behalf shall fully co-operate with the Monitor in the exercise its powers under this Order or any other Order of the Court, including by:

(a) advising the Monitor of the existence of any Property of which such party has knowledge of;

(b) providing the Monitor with immediate and continued access to any Property in such party's possession or control;

(c) advising the Monitor of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Company, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information ("**Records**") of which such party has knowledge of; and

(d) providing access to and use of the Records, including any accounting, computer, software and physical facilities relating thereto, and including providing the Monitor with instructions on the use of any computer or other system as requested by the Monitor and providing the Monitor with any and all access codes, account names and account numbers that may be required to gain access to the Records, provided however that nothing in this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Monitor due to the privilege attaching to solicitor client communication or due to statutory provisions prohibiting such disclosure.

LIMITATION ON THE MONITOR'S LIABILITY

32. **THIS COURT ORDERS THAT** the Monitor is not and shall not, for any purposes, be deemed to be a director, officer, employee, receiver, receiver-manager, or liquidator of the Company.

33. **THIS COURT ORDERS THAT** the Monitor is not and shall not for the purposes of the *Income Tax Act*, R.S.C., 1985, c. 1 (5th Supp.) be deemed to be a legal representative or person to whom s. 150(3) of that Act applies.

34. **THIS COURT ORDERS THAT** that the rights, protections, indemnities, charges, priorities and other provisions in favour of the Monitor set out in the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, any other applicable legislation, and any other Order granted in these proceedings, all shall apply and extend to the Monitor in connection with the Monitor carrying out the provisions of this Order, amended as necessary to give effect to the terms of this Order.

DIP FINANCING

35. **THIS COURT ORDERS** that the Monitor, on behalf of the Company, is hereby authorized and empowered to execute, enter into and deliver the DIP Facility Loan Agreement (the "**DIP Financing Agreement**") dated the 7th day of March, 2022 between, the Company, as borrower, and Bridging Finance Inc., Bridging Income Fund LP, Bridging Private Debt

Institutional LP, Bridging Mid-Market Debt Fund LP, Bridging Private Debt Lending Master Fund I, LP (Cayman), Bridging SMA 1 LP, Bridging SMA 2 LP, and Her Majesty in Right of Newfoundland and Labrador, as represented by the Minister of Industry, Energy and Technology as lender (collectively the "**DIP Lender**"), and to borrow, in accordance with the terms and conditions of the DIP Financing Agreement, up to Four Million Seven Hundred Thousand ($4,700,000.00) (the "**DIP Facility**") to, among other things, fund the Company's working capital requirements, the SISP and other general corporate purposes of the Company during the Stay Period.

36. **THIS COURT ORDERS** that, in addition to the DIP Financing Agreement, the Company is also hereby authorized and empowered to execute and deliver such other credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively with the DIP Financing Agreement, the "**Definitive Documents**"), as are contemplated by the DIP Financing Agreement or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Monitor, on behalf of the Company is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the DIP Financing Agreement and the other Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

37. **THIS COURT ORDERS** that, as security for the Company's obligations under the Definitive Documents, the DIP Lender shall be entitled to the benefit of and are hereby granted a charge (the "**DIP Lender's Charge**") on the Property, (save and except the Excluded Property and Excluded Inventory), which DIP Lender's Charge shall not secure an obligation that exists before this Order is made. The DIP Lender's Charge shall have the priority set out in paragraphs 41 and 43 herein. Notwithstanding the foregoing, the Interim Receiver's Borrowing Charge contained in Paragraph 27 of the Interim Receivership Order, being the 1.8 Million advanced pursuant to the Interim Receivership Order, shall continue to be in full force and effect during the term of this Order. The Interim Receiver's Borrowing Charge shall rank pari passu with the DIP Lender's Charge.

38. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

2

(a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the Definitive Documents;

(b) upon the occurrence of an event of default under the DIP Financing Agreement, the other Definitive Documents or the DIP Lender's Charge, upon five (5) days notice to the Monitor and the Company, the DIP Lender may exercise any rights and remedies against the Company or the Property, (save and except the Excluded Property), under or pursuant to the DIP Financing Agreement, the other Definitive Documents and the DIP Lender's Charge, including, without limitation, to cease making advances to the Company and set off and/or consolidate any amounts that may be owing by the DIP Lender against the obligations of the Company to the DIP Lender under the DIP Financing Agreement, the other Definitive Documents or the DIP Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Company and for the appointment of a trustee in bankruptcy of the Company; and

(c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Company or the Property (save and except the Excluded Property).

39. **THIS COURT ORDERS AND DECLARES** that the DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Company under the CCAA, or any proposal filed by the Company under the BIA, with respect to any advances made under the DIP Financing Agreement and the other Definitive Documents.

40. **THIS COURT ORDERS AND DECLARES** that this Order is subject to provisional execution and that if any of the provisions of this Order in connection with the DIP Financing Agreement, the other Definitive Documents or the DIP Lender's Charge shall subsequently be stayed, modified, varied, amended, reversed or vacated in whole or in part (collectively, a "**Variation**") whether by subsequent order of this Court on or pending an appeal from this Order, such Variation shall not in any way impair, limit or lessen the priority, protections, rights or remedies of the DIP Lender, whether under this Order (as

made prior to the Variation), under the DIP Financing Agreement or the other Definitive Documents with respect to any advances made or obligations incurred prior to the DIP Lender being given notice of the Variation, and the DIP Lender shall be entitled to rely on this Order as issued (including, without limitation, the DIP Lender's Charge) for all advances so made and other obligations set out in the DIP Financing Agreement and the other Definitive Documents.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

41. **THIS COURT ORDERS** that the priorities of the Administration Charge, the DIP Lender's Charge, and the Interim Receiver's Borrowing Charge on the Property (save and except the Excluded Property and Excluded Inventory), (collectively, the "**Charges**"), as among them, shall be as follows:

First – the Administration Charge (to the maximum amount of $250,000.00);

Second– the DIP Lender's Charge and the Interim Receiver's Borrowing Charge, on a pari passu basis.

42. **THIS COURT ORDERS** that the filing, registration or perfection of the Charges shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

43. **THIS COURT ORDERS** that each of the Charges (all as constituted and defined herein) shall constitute a charge on the Property, (save and except the Excluded Property and Excluded Inventory), and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person, except for any secured creditor of the Company who did not receive notice of the application for this Order. The Company shall be entitled, on a subsequent motion on notice to those Persons likely to be affected thereby, to seek priority of the Charges ahead of any Encumbrances over which the Charges have not obtained priority pursuant to this Order.

44. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Company shall not grant any Encumbrances over any Property that rank in priority to, or pari passu with, any of the Charges, unless the Company also obtains the prior written consent of the Monitor and of the applicable chargee(s) entitled to the benefit of the Charges (collectively, the "**Chargees**"), or further Order of this Court.

45. **THIS COURT ORDERS** that the Charges shall not be rendered invalid or unenforceable and the rights and remedies of the Chargees shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Company, and notwithstanding any provision to the contrary in any Agreement:

(a) Neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the DIP Financing Agreement or the other Definitive Documents shall create or be deemed to constitute a breach by the Company of any Agreement to which it is a party;

(b) None of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Company entering into the DIP Financing Agreement, the creation of the Charges, or the execution, delivery or performance of the other Definitive Documents; and

(c) The payments made by the Company pursuant to this Order, the DIP Financing Agreement or the other Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

46. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Company's interest in such real property leases.

SERVICE AND NOTICE

47. **THIS COURT ORDERS** that the Monitor shall (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner by electronic means, a notice to every known creditor who has a claim against the Company of more than $1,000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

GENERAL

48. **THIS COURT ORDERS** that the Monitor, on behalf of the Company, may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

49. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from subsequently acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Company, the Business or the Property.

50. **THIS COURT ORDERS** that each of the Company 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.

COURT OFFICER

Schedule "A"

Defined Terms

"**Excluded Inventory**" means inventory representing a value in the amount of USD2,500,000

"**Excluded Property**" means: (i) any and all Receivables and/or Financed Receivables, as such terms are defined pursuant to the RFA, together with all rights and remedies arising thereunder, insurance policies and proceeds resulting therefrom, and proceeds generally, and (ii) all Export Development Canada insurance policies or support in favor of HSBC,

"**HSBC**" means HSBC Bank Canada; and

"**RFA**" means the Trade Invoice Recourse Financing Facility Agreement between HSBC and Canada Fluorspar (NL) Inc., dated May 25, 2018, as amended.

Appendix “B”

Settlement Proceeds Agreement

THIS SETTLEMENT PROCEEDS AGREEMENT (this "**Proceeds Agreement**") is entered into as of March 17, 2022 by and among Bridging Finance Inc., on its own behalf and as agent for Sprott Bridging Income Fund LP ("**Bridging**"), Her Majesty in Right Of Newfoundland and Labrador, as represented by the Minister of Industry, Energy and Technology (the "**Government**"), and HSBC Bank Canada ("**HSBC**", and together with Bridging and the Government, the "**Parties**"), and the Monitor (as defined herein).

WHEREAS the Parties are party to an Amended and Restated Intercreditor Agreement dated May 25, 2018, as amended (collectively, the "**ICA**"), together with Canada Fluorspar (NL) Inc. ("**CNFI**"), Newspar and Canada Fluorspar Inc. ("**CFI**", and together with CNFI and Newspar, "**Fluorspar**"), pursuant to which the relative priorities and ranking of the BF Security, Government Security and HSBC Security (as such terms are defined in the ICA) in the collateral of Fluorspar is agreed to among the Parties.

AND WHEREAS on February 21, 2022, upon the Application of Bridging, the Supreme Court of Newfoundland and Labrador (the "**Court**") issued an Order appointing Grant Thornton Limited ("**GTL**") as interim receiver (the "**Interim Receiver**") of all of assets, undertakings and properties, save for the Excluded Property (as defined therein), of CNFI and CFI (the "**Interim Receivership Proceedings**").

AND WHEREAS on March 11, 2022, upon the Application of the Interim Receiver, the Court issued an Order granting Fluorspar protection under the *Companies' Creditors Arrangement Act* (Canada) (the "**Initial Order**"), and appointed GTL as monitor (the "**Monitor**") for the purposes of the proceedings (the "**CCAA Proceedings**"), together with a stay of proceedings in relation to Fluorspar up to and including March 18, 2022, an Administration Charge and DIP Lender Charge/Interim Receiver's Borrowing Charge over all of the assets, undertakings and properties of Fluorspar, save for the Excluded Property and Excluded Inventory (as defined in the Initial Order).

AND WHEREAS a dispute has arisen in relation to the Excluded Inventory among the Parties as it relates to the sale of and distribution of the sale proceeds among the Parties (the "**Excluded Inventory Dispute**").

AND WHEREAS the Parties wish to resolve the Excluded Inventory Dispute which would provide for, among other things, the sale of the Excluded Inventory and all other Fluorspar inventory located at the Fluorspar mill site (collectively, the "**Inventory**") in the immediate term by the Monitor, and the payment and distribution of the Sale Proceeds (as defined herein) among the Parties.

AND WHEREAS the Parties and the Monitor (in its capacity as Monitor, and on behalf of Fluorspar) are supportive of the resolution of the Excluded Inventory Dispute pursuant to the terms and conditions contained in this Proceeds Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties, the Monitor (in its capacity as Monitor, and on behalf of Fluorspar) agree as follows:

1. **Sale of Inventory**: The Parties hereby agree that the Monitor shall take all reasonable steps to conclude a sale of the total Inventory, representing approximately 8,800 tones of fluorspar, to a reputable third party purchaser with the financial resources to conclude a short term sale transaction (a "**Purchaser**") for a total purchase price not less than the net amount of US$2,118,000 (the "**Target Purchase Price**"). For greater certainty, the term "net" shall mean pricing exclusive of all costs and expenses associated with the shipment and moisture testing of the Inventory generally and shall include, but not limited to, costs, charges, discounts, expenses and all other sale contingencies (consistent with the amounts projected in the Monitor's inventory sale analysis dated March 10, 2022) (the "**Net Costs**").

2. **Payment of Purchase Price**: The payment of the Target Purchase Price and, if applicable, all other amounts due on account of the sale of the Inventory greater than the Target Purchase Price amount, shall be paid to the Monitor by the Purchaser at the time a bill of lading is issued in respect of the delivery of the Inventory.

3. **Distribution of Sale Proceeds:** Within two (2) business days following the Monitor's receipt of the sale proceeds resulting from the sale of the Inventory (the "**Sale Proceeds**"), the Monitor shall distribute the Sale Proceeds as follows:

   (a) First, the Net Costs;

   (b) Second, an amount equivalent to the Target Purchase Price to HSBC, or such lesser amount remaining following the payment of the Net Costs (if applicable) (the "**HSBC Proceeds**"), in final satisfaction of the HSBC Security over the Inventory;

   (c) Third, any remaining Sale Proceeds to remain in the Monitor's control for administration in accordance with the priorities in the CCAA Proceedings including all Court-approved charges.

4. **HSBC Proceeds:** The parties hereto acknowledge that the HSBC Proceeds do not form part of the Interim Receivership Proceedings or the CCAA Proceedings, and the Monitor shall hold the HSBC Proceeds in trust for the exclusive benefit of HSBC.

5. **Release of Claims – Mutual Release:** Bridging, of the first part, the Government, of the second part, HSBC, of the third part, and the Monitor (in its capacity as Monitor, and on behalf of Fluorspar), of the fourth part, including each parties shareholders, officers, directors, employees, agents,

successors, insurers, administrators, representatives, assigns, heirs, executors and trustees, as applicable (collectively, the "**Released Parties**"), in consideration of the mutual terms and conditions set forth herein, do each forever remise, release and discharge each other of and from any and all actions, causes of action, claims, counterclaims, demands, damages, interests, costs, expenses, fees, commissions, taxes, rents and compensation of whatsoever kind and howsoever arising, whether known or unknown, which each of them ever had, may have, or at any time hereafter can, shall, or may have against the other, howsoever arising in connection with the ICA, specific to the sale of the Inventory and the distribution of the Sale Proceeds among the Released Parties, as contemplated by this Proceeds Agreement.

6. **General:**

(a) The recitals to this Proceeds Agreement form part of this Proceeds Agreement.

(b) The terms of this Proceeds Agreement are fully understood by each party, having received independent legal counsel or waived their right to do so, in connection with the negotiation, execution, and delivery of this Proceeds Agreement.

(c) Any amendment to this Proceeds Agreement shall be made in writing and shall be duly executed by all parties.

(d) The parties hereby covenant and agree to do such further and other things that any other party may reasonably request to give full or better effect to the provisions of this Proceeds Agreement.

(e) This Proceeds Agreement shall be governed by and construed in accordance with the laws of the Province of Newfoundland and Labrador and the federal laws of Canada, applicable therein.

(f) This Proceeds Agreement may be executed in counterparts and delivered via facsimile or email (PDF), and all counterparts, when taken together, shall constitute one Proceeds Agreement.

[the remainder of this page is intentionally blank; signature page follows]

IN WITNESS WHEREOF the undersigned agree to the terms of this Proceeds Agreement effective as of the first date written above.

PRICEWATERHOUSECOOPERS INC. in its capacity as court-appointed Receiver and Manager of **BRIDGING FINANCE INC.** and its affiliated entities, and not in its personal capacity

DocuSigned by:

3C173B2EACA04F0...

Name: Liam Murphy

Title: Vice President

IN WITNESS WHEREOF the undersigned agree to the terms of this Proceeds Agreement effective as of the first date written above.

HER MAJESTY IN RIGHT OF NEWFOUNDLAND AND LABRADOR, as represented by THE MINISTER OF INDUSTRY, ENERGY AND TECHNOLOGY

Name:

Title:

IN WITNESS WHEREOF the undersigned agree to the terms of this Proceeds Agreement effective as of the first date written above.

HSBC BANK CANADA

Name: Brian Pettit
Title: Assistant Vice President

IN WITNESS WHEREOF the undersigned agree to the terms of this Proceeds Agreement effective as of the first date written above.

GRANT THORNTON LIMITED, solely in its capacity as Court-appointed monitor of Canada Fluorspar (NL) Inc. and Canada Fluorspar Inc. and Newspar, and not in its personal or corporate capacity

Name: Phil Clarke, CPA, CA, CIRP, LIT

Title: Senior Vice President

Appendix "C"

SALES CONTRACT

SELLER: CFI (NL) Inc., by GRANT THORNTON LIMITED, in its capacity as CCAA Monitor of Canada Fluorspar (NL) Inc., Canada Fluorspar Inc. and Newspar (a General Partnership)

BUYER: FLUORSID NORALF AS

This sales contract is made by and between the Seller and the Buyer on the 27th day of April, 2022, whereby the Seller agrees to sell, on an as is where is basis, and the Buyer agrees to purchase the under-mentioned goods according to the terms and conditions stipulated below:

1. **DESCRIPTION OF GOODS:** Acid Grade Fluorspar – Powder, as per the technical specifications and Certificates of Analysis attached to this contract as Schedule A (the "Specifications"). Notwithstanding the inclusion of the Specifications in this contract, the Buyer agrees and acknowledges that the goods are being sold on an as is where is basis and that the Seller does not make any guarantee or representation, express or implied, that the goods meet the Specifications set out in Schedule A.

2. **QUANTITY:** Approximately 8,845 WMT (for shipping purposes) and approximately 8,050 DMT (for sale purposes). Final quantities (WMT) shall be measured by draft survey at loading port from an independent surveyor appointed by the Buyer.

3. **PRICE:** USD $550/DMT.

4. **PAYMENT TERMS:** Buyer will pay 100% of the ~~final~~ pro forma invoice to the Seller's Counsel, Cox & Palmer, in trust, prior to the arrival of the vessel at the Port of Loading. The funds will be released to the Seller upon ~~disembarkation~~ departure from Marystown, NL and with the issuance of an invoice from the Seller, with a 2% holdback for the final moisture adjustment (unless the Buyer wishes to do a third-party certificate of analysis and moisture certificate on the material prior to loading).

5. **PORT OF LOADING:** Port of Marystown, Kiewit's - Cow head berth, Marystown, Newfoundland & Labrador, Canada

6. **INCOTERMS:** Free On Board (FOB) Kiewit dock, Marystown, NL

7. **SHIPMENT SCHEDULE:** The Buyer shall provide a date for pickup of the goods at the Port of Loading by April 30, 2022. The delivery will be complete on issuance of the final invoice and bill of lading (on the day of final loading).

8. **PORT OF DESTINATION:** Cagliari (Italy) or Odda (Norway), at Buyer's option.

9. **ORIGIN:** Canada.

10. **INSURANCE:** The Seller shall be responsible for trucking the material from site and loading onto the vessel and the insurance associated with same. The Buyer shall be responsible for insurance covering the value of the cargo and all transit risks from the vessel to the buyer's warehouse.

11. **FORCE MAJEURE:**

a. Force majeure event" means an event that prevents, restricts, delays or interferes with a party's performance that is beyond the reasonable control of such party, including any change in government legislation, acts of god including but not limited to fire, flood, explosion, epidemic, accident, war, riot, strike, lockout, or other concerted acts of workmen or acts of government. However, financial difficulty is specifically excluded here.

b. No party shall be liable for any breach of its obligations under this agreement as a result of any force majeure event for the period for which the occurrence, event or circumstance or the effect thereof lasts, and neither of the parties shall have a claim for damages or any other relief against the other in respect of non-performance or delay in performance.

c. The parties agree that the party declaring a force majeure event shall notify the other party promptly of the occurrence of a force majeure event and the likely or anticipated period that the force majeure event is likely to continue.

d. The party declaring a force majeure event shall take all necessary steps within its control to bring an end to the force majeure event and shall use all commercially reasonable endeavors to perform the obligations under this agreement during the period of the force majeure event.

e. Upon cessation of a force majeure event, the party declaring a force majeure event shall promptly, within 7 days of such cessation, notify the other party of such cessation and commence undertaking its obligations hereunder forthwith or as soon as practicable thereafter.

f. Each party shall bear its own cost incurred as a result of any force majeure event. If a force majeure event has occurred and continues for a period of not less than 30 days or such later date as may be mutually determined by the parties, this agreement shall automatically terminate, and no party shall have any liability or obligation under this agreement.

12. **ARBITRATION:** Any dispute arising out of or in connection with this agreement, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration administered by an international arbitration centre in accordance with the arbitration rules of said international arbitration centre, for the time being in force ("rules"), which rules are deemed to be incorporated by reference into this clause. The dispute shall be resolved by a sole arbitrator mutually appointed by the parties. The seat and venue of arbitration shall be determined. The language to be used in the arbitral proceedings shall be English.

13. **GENERAL CONDITIONS:** this contract comes into effect from the signing date, any amendment and additional clause to these conditions shall be valid only if made in written form and duly confirmed by both sides.

This Sales Contract is dated the 27 day of April, 2022.

FOR THE SELLER

Phil Clarke, CPA, CA, CIRP, LIT
Senior Vice Present
Grant Thornton Limited in its capacity as
CCAA Monitor of Canada Fluorspar (NL) Inc., Canada Fluorspar Inc. and Newspar (a General Partnership)

FOR THE BUYER

Lior Metzinger
Chief Executive Officer

SCHEDULE "A"

Specifications

Canada Fluorspar (NL) Inc.
P.O. Box 337
Clarke's Pond Road
St. Lawrence, NL
A0E 2V0

Tel: (709) 873-3331 Fax: (709) 873-3335

CFI
CANADA FLUORSPAR INC.

	Measured	Typical	Guaranteed
CaF_2	%	97.5	97
SiO_2	%	0.8	1.5
$CaCO_3$	%	1.0	1.5
Alumina(Al_2O_3)	%	0.1	0.15
Ferric Oxide (Fe_2O_3)	%	0.15	0.2
$BaSO_4$	%	0.2	0.3
Total P as P_2O_5	%	0.01	0.025
As	ppm	4	8
Soluble Chloride (ISE)	ppm	20	50
Sulphur (Total)	%	0.02	0.08
Hg	ppm	0.05	0.15
TOC	%	0.03	0.05
Moisture	%	<10	

PSA	Mesh	Microns	% Passing
	100	150	>91
	200	75	>62
	325	45	>42

Appendix "D"

Canada Fluorspar (NL) Inc.
P.O. Box 337
Clarke's Pond Road
St. Lawrence, NL Canada A0E 2V0
Tel: (709) 873-3331 Fax: (709) 873-3335

CFI
CANADA FLUORSPAR INC.

INVOICE #: 2022-04-025

DATE: May 5, 2022

Sold TO:

Fluorsid Noralf AS
Eitrheimsneset 1
5750 Odda
Norway

Ship TO:

Fluorsid Noralf AS
Eitrheimsneset 1
5750 Odda
Norway

Description	Quantity shipped	Unit Price	UOM	Extended Price
Acid Grade Fluorspar (8,736 WMT @ 7.34% Moisture)	8,094.78	$550	DMT	$ 4,452,127.68
Less: 2% Holdback for Final Moisture Adjustment				($89,042.55)
ITC HS 2529.2200				
Subtotal	8,094.78			$ 4,363,085.13
GST/HST				-
TOTAL:			USD	**$4,363,085.13**

Terms of Delivery: FOB Marystown NL, Vessel Departure May 5th, 2022

Currency: USD
Collect shipment by: Vessel
Country of Origin: Canada

Darrin Kitchen, CPA, CMA

May 6th 2022
Date

Canada Border Services Agency | Agence des services frontaliers du Canada

PROTECTED B when completed

FREE TRADE AGREEMENT
CERTIFICATE OF ORIGIN

For goods exported to or from Canada - Not for use under NAFTA

Please Print or Type

1 Exporter's Name and Address: Canada Fluorspar (NL) Inc. PO Box 337 Clarke's Pond Road St. Lawrence, NL A0E 2V0	**2** Blanket Period: DD - MM - YY from 01052022 to 31052022
3 Producer's Name and Address: Canada Fluorspar (NL) Inc. PO Box 337 Clarke's Pond Road St. Lawrence, NL A0E 2V0	**4** Importer's Name and Address: Fluorsid Noralf AS Eitrheimsneset 1 5750 Odda Norway

5 Description of Goods	**6** HS tariff classification number	**7** Preference criterion	**8** Producer	**9** Gross weight or other quantity
CaF2 (Calcium Fluoride)	2529.22			8736

10 **I certify that:**

✓ the information on this document is true and accurate, and I assume the responsibility for proving such representations. I understand that I am liable for any false statements or material omissions made on or in connection with this document;

✓ I agree to maintain, and present upon request, documentation necessary to support this Certificate, and to inform, in writing, all persons to whom the Certificate was given, of any changes that would affect the accuracy or validity of this Certificate;

✓ this Certificate consists of 1 pages, including all attachments.

Authorized signature:		Company: Canada Fluorspar (NL) Inc.
Name: Darrin Kitchen		Title: Controller
Date (dd-mm-yy): 01/05/2022	Telephone: (709) 277-0512	FAX: N/A

FREE TRADE AGREEMENT
CERTIFICATE OF ORIGIN
INSTRUCTIONS FOR GOODS EXPORTED TO OR FROM CANADA - NOT FOR USE UNDER NAFTA

For purposes of obtaining preferential tariff treatment, this document must be completed legibly and in full by the exporter and be in the possession of the importer at the time the declaration is made. Please print or type.

Field 1: State the full legal name and address of the exporter.

Field 2: Complete this field if the certificate covers multiple shipments of identical goods, as described in Field 5, that are imported for a specified period of up to one year (blanket period). "From" is the date upon which the certificate becomes applicable to the good covered by the blanket certificate (it may be prior to the date of signing this certificate). "To" is the date upon which the blanket period expires. The importation of a good for which preferential tariff treatment is claimed based on this certificate must occur between these dates.

Field 3: State the full legal name and address of the producer. If more than one producer's good is included on the certificate, attach a list of the additional producers, including the legal name and address cross referenced to the good described in field 5. If you wish this information to be confidential, it is acceptable to state "Available to customs upon request." If the producer and the exporter are the same, complete field with "Same." If the producer is unknown, it is acceptable to state "Unknown."able.

Field 4: State the full legal name and address of the importer. If the importer is not known, state "Unknown"; if multiple importers, state "Various."

Field 5: Provide a full description of each good. The description should be sufficient to relate it to the invoice description and to the Harmonized System (HS) description of the good. If the certificate covers a single shipment of a good, i.e., it is not a blanket certificate, include the invoice number as shown on the commercial invoice. If not known, indicate another unique reference number, such as the shipping order number.

Field 6: For each good described in Field 5, identify the HS tariff classification to six digits. If the good is subject to a specific rule of origin that requires eight digits, identify to eight digits, using the HS tariff classification of the Party into whose territory the good is imported.

Field 7: For each good described in Field 5, state which criterion (A through E) is applicable. The rules of origin are set out in the regulations enacted and published by the Parties.
Note: In order to be entitled to preferential tariff treatment, each good must meet at least one of the criteria below.

<u>Preference criteria</u>

A The good is "wholly obtained or produced entirely" in the free-trade area.
Note: The purchase of a good in the free-trade area does not necessarily render it "wholly obtained or produced ."

B The good is produced entirely in the free-trade area and satisfies the specific rule of origin that applies to its tariff classification. The good must also satisfy all other applicable requirements.

C The good satisfies, as a result of production occurring entirely within the free-trade area, the applicable requirements set out in the specific rule of origin where no change in tariff classification is required in that rule.

D The good is produced entirely in the free-trade area exclusively from originating materials. Under this criterion, not all materials need to fall within criterion A. However, all materials used in the production of the good must qualify as "originating" by meeting the rules of one of the preference criteria.

E Goods are produced in the free-trade area but do not meet the applicable specific rule of origin because certain non-originating materials do not undergo the required change in tariff classification. This criterion is applicable only where the good incorporated one or more non-originating materials, provided for as parts under the HS, which could not undergo a change in tariff classification because the heading provides for both the good and its parts and was not further subdivided into subheadings, or the subheading provided for both the good and its parts. Furthermore, at least one category of identical or similar materials provided for in that heading or subheading must be originating.
Note: This criterion does not apply to Chapters 61 through 63 of the HS

Field 8: For each good described in Field 5, state "Yes" if you are the producer of the good. If you are not the producer of the good, state "No" followed by (1) or (2), depending on whether this certificate was based upon: (1) your knowledge of whether the good qualifies as an originating good or (2) your reliance on the producer's written representation that the good qualifies as an originating good.

Field 9: Where the certificate is not a blanket certificate indicate the gross weight or number of pieces in the shipment.

Field 10: This field must be completed, signed, and dated by the exporter. The date must be the date the certificate was completed and signed.

CODE NAME: "CONGENBILL", EDITION 1994

BILL OF LADING

B/L #: JANC20220408001

Carrier: Oslo Caribbean Carrier AS

Shipper
CANADA FLUORSPAR (NL) INC.
P.O. BOX 337
CLARKE'S POND ROAD
ST. LAWRENCE, NL
CANADA A0E 2V0

Consignee
FLUORSID NORALF AS
EITRHEIMSNESET 1
NO-5750 ODDA, NORWAY
CTC: MR. JAN-FREDRIK FORSBERG
TEL: +47 53 64 93 69

Notify address
FLUORSID NORALF AS
EITRHEIMSNESET 1
NO-5750 ODDA, NORWAY
CTC: MR. JAN-FREDRIK FORSBERG
TEL: +47 53 64 93 69

Vessel
MV JANET C

Port of loading
KIEWIT DOCK, MARYSTOWN, NL, CANADA

Port of discharge
ODDA, NORWAY

ORIGINAL 3/3

Shipper's description of goods

ACID GRADE FLUORSPAR IN BULK (CALCIUM FLUORIDE)

Gross weight
8,736.0 MT

GOODS ARE OF CANADIAN ORIGIN
FREE IN/OUT STOWED, LASHED, SECURED AND DUNNAGED
LOADED IN HOLDS 1 AND 2
MATERIAL CODE B10060287
SHIPPED ON BOARD

ALL TERMS, CONDITIONS, EXCEPTIONS AND ANY ADDENDA THERETO OF THE GOVERNING CHARTER PARTY DATED THE 25TH OF APRIL, 2022, INCLUDING THE LAW AND ARBITRATION CLAUSE ARE HEREBY EXPRESSLY INCORPORATED, ANYTHING TO THE CONTRARY IN THIS BILL OF LADING NOTWITHSTANDING.

FREIGHT PAYALBE AS PER CHARTER PARTY dated 25 APRIL, 2022

Received on account of freight:

Time used for loading ________ days ________ hours

SHIPPED at the port of Loading in apparent good order and condition on board the Vessel for carriage to the Port of Discharge or so near thereto as she may safely get the goods specified above. WEIGHT, MEASURE, QUALITY, QUANTITY, CONDITION, CONTENTS AND VALUE UNKNOWN.

IN WITNESS whereof the Master or Agent of the said Vessel has signed the number of Bills of Lading indicated below all of this tenor and date, any one of which being accomplished the others shall be void.

FOR CONDITIONS OF CARRIAGE SEE OVERLEAF

Freight payable at	Place and date of issue
AS PER CHARTER PARTY	MARYSTOWN, NL, CANADA 2022-05-04
Number of original Bs/L	Signature
THREE (3)	M.V. JANET C Cowes GT: 9550 / 5400 kW IMO No: 9430129 Official No: 915870
	MARIUS BITLAN MASTER OF MV JANET C

BILL OF LADING
TO BE USED WITH CHARTER-PARTIES
CODE NAME: "CONGENBILL"
EDITION 1994
ADOPTED BY
THE BALTIC AND INTERNATIONAL
MARITIME COUNCIL (BIMCO)

Conditions of Carriage.

(1) All terms and conditions, liberties and exceptions of the Charter Party, dated as overleaf, including the Law and Arbitration Clause, incorporated.

(2) General Paramount Clause.

(a) The Hague Rules contained in the International Convention for the Unification of certain rules relating to Bills of Lading, dated Brus August 1924 as enacted in the country of shipment, shall apply to this contract. When no such enactment is in force in the country of s corresponding legislation of the country of destination shall apply, but in respect of shipments to which no such enactments re compul the terms of the said convention shall apply.

(b) *Trades where Hague-Visby Rules apply.*
In trades where the International Brussels Convention 1924 as amended by the Protocol signed at Brussels on February 23rd 1968-the Rules-apply compulsorily, the provisions of the respective legislation shall apply to this Bill of Lading.

(c) The Carrier shall in no case be responsible for the loss or damage to the cargo, howsoever arising prior to loading into and after disc Vessel or while the cargo is in charge of another Carrier, nor in respect of dock cargo or live animals.

(3) General Average.

General Average shall be adjusted, stated and settled according to York-Antwerp Rules 2006, or any subsequent modification thereof in another place is agreed in the Charter Party.

Cargo's contribution to General Average shall be paid to the Carrier even when such average is the result of a fault, neglect or error of the Crew. The Charterers, Shippers and Consignees expressly renounce the Belgian Commercial Code, Part II, Art. 148.

(4) New Jason Clause

In the event of accident, damage or disaster before or after the commencement of the voyage, resulting from any cause whatsoev due to negligence or not, for which, or for the consequence of which, the Carrier is not responsible, by statute, contract or otherwise, the pers, Consignees or the owners on the cargo shall contribute with theCarrier in general average to the payment of any sacrifices, losse of a general average nature that may be made or incurred and shall pay salvage and special charges incurred in respect of the cargo.

If a salving ship is owned or operated by the Carrier, salvage shall be paid for as fully as if the said salving vessel or vessels belonged to st deposit as the Carrier or his agents may deem sufficient to cover the estimated contribution of the goods and any salvage and special ch shall, if required, be made by the cargo, Shippers, Consignees or owners of the goods to the Carrier before delivery.

(5) Both-to-Blame Collision Clause

If the Vessel comes into collision with another vessel as a result of the negligence of the other vessel and any act, neglect or default of Mariner, Pilot or the servants of the Carrier in the navigation or in the management of the Vessel, the owners of the cargo carried hereunc nify the Carrier against all loss or liability to the other or non-carrying ship or her Owners in so far as such loss or liability represents loss to, or any claim whatsoever of the owners of said cargo, paid or payable by the other or non-carrying vessel or her Owners to the owners and set-off, recouped or recovered by the other or non-carrying vessel or her Owners as part of their claim against the carrying Vessel or foregoing provisions shall also apply where the Owners, operators or those in charge of any vessel or vessels or objects other than, or i the colliding vessels or objects are at fault in respect of a collision or contact.

For particulars of cargo, freight,
destination, etc., see overleaf.

CANADA FLUORSPAR INC.

Canada Fluorspar (NL) Inc.
1 Clarke's Pond Road
St Lawrence, NL
A0E 2V0

Certificate of Analysis

Date Issued: 04-May-2022

Vessel Name: MV Janet C

Dates Loaded: April 28^{th} – May 4^{th}, 2022

Amount Loaded: 8736 WMT

Final Moisture*: 7.34%

*Final moisture is a weighted average of truck weights and moisture grab samples from every 4^{th} truck loaded

Heidi Slaney

Released:

Heidi Slaney, Metallurgical Technician

Newfoundland Marine Surveys Inc.
10 Stoneyhouse St., St. John's, NL. A1B 2T6
Cell 709 682 6585
Home 709 753 1370
robert@nmsnl.ca

CERTIFICATE OF CARGO QUANTITY BY

DRAFT SURVEYS

Vessel Name:	M/V Janet C
Registry:	Isle of Wight, UK
Port Loading:	Marystown, Kiewit Dock
Consignment:	Fluorspar in Bulk

Loaded: 2322 on April 28, 2022
0857 on May 4, 2022

Deadweight surveys were conducted on arrival and departure of the above noted vessel as attached with the following results: -

Cargo Loaded at Marystown -- **8,736 Metric Tonnes**

This report reflects our findings at time and place of inspection only and hereby given to the best of our knowledge and belief, but without prejudice toward and question of rights and/or liability of any parties concerned.

Yours Sincerely

Robert Jenkins MM. MNI. BSc

Captain Bill Murphy

This report and or work is prepared and supplied by Newfoundland Marine Surveys Inc (NMS) on the basis that we have provided a competent, suitably qualified surveyor to carry out the survey and or work, to normal industry standards using reasonable skill, care, and diligence. The work product produced is for the use of the named client only; no liability is assumed to any third party. NMS will have no responsibility or liability whatsoever except insofar as the Client suffers loss or damage as a consequence of our negligence, gross negligence or wilful default. NMS does not accept liability for loss of profit or loss of use.

File: M/V Janet C Marystown April 28 to May 4, 2022

VESSEL	**Janet C**	**CARGO**	**Fluorspar**	**DATE/TIME**	Apr 28/ 2022 1110.
PORT	**Marystown**	P/O NO.			
BERTH	Kiewit	REF. NO.			
		HOLD			
INITIAL SURVEY					

		Forward		**Aft**		**Midship**
Dist. Bet. draft marks& PP's	-	0.25 m.	-	-2.99 m.	-	0.65 m.
Portside draft reading	-	4.10 m.	-	6.60 m.	-	5.350 m.
Starboardside draft reading	-	4.08 m.	-	6.60 m.	-	5.25 m.
Mean drafts	-	4.090 m.	-	6.600 m.	-	5.3000 m.
Draft correction	-	0.0047 m.	-	-0.0565 m.		0.0123 m.
Draft at Perpendiculars/amidships	-	4.0853 m.	-	6.5435 m.		5.2877 m.

Mean forward & Aft	-	5.3144 m.	Length bet. Perpendiculars	130.00 m.
Mid mean	-	5.2877 m.	Length bet. Draft marks	132.74 m.
Mean of Means	-	5.3010 m.	Apparent Trim (Head)/stern	2.510 m.
Quarter Mean	-	5.2794 m.	Corrected Trim(Head)/stern	2.458 m.

Displacement at Quarter Mean	-	11357.796 MT	Sea Water Density		1.0240 g/cc
First Trim Correction	-	-67.788 MT	Deflection (hog)/sag		-0.0267 m.
Second Trim Correction	-	29.053 MT	Tonnes per cm. Immersion		23.400 MT
Displacement Corrected for Trim	-	11319.060 MT	L C F (fwd)/aft		-1.532 m.
Density Correction	-	11.043 MT	mtc @ QM +0.50 m		192.30
Displacement Corrected for Density	-	11308.017 MT	mtc @ QM -0.50 m		179.80
Non Cargo Weights			dm/dz		0
Fuel Oil	-	417.12 MT	Sea Condition (Beaufort Scale)		
Diesel Oil	-	122.98 MT		Calm (0 - 0.10 m.)	
Fresh Water	-	108.00 MT		Smooth (0.10 - 0.30 m.)	
Ballast Water	-	4874.96 MT		Slight (0.30 - 0.60 m.)	
Others Lube Oil plus others	-	436.84 MT		Moderate (0.60 - 1.20 m.)	
Total Non Cargo Weights	-	5959.90 MT		Rough (1.20 - 2.40 m.)	
NET DISPLACEMENT	-	5348.12 MT		V. Rough (2.40 m. & above)	
			Tide: Nil		
Light Ship	-	5162.0 MT	Attending Parties :	XX	NMS Surveyor
Previous Cargo & Constant	-	0.0 MT		XX	Chief Officer
Difference	-	186.1 MT		XX	Supplier Surveyor
Constant	-	**186.1 MT**			
Signed	-				

Note :If the center of floatation is forward of amidship, the LCF must be entered as negative.

All work is undertaken to the best of our knowledge and ability, and our responsibility is limited to the exercise of reasonable care and attention. This report is issued without prejudice and is for the benefit of whom it may concern

File: M/V Janet C Marystown April 28 to May 4, 2022

VESSEL	**Janet C**	CARGO	**Fluorspar**		**Date/ Time**		May 04/22 1045	
PORT	**Marystown**	P/O NO.						
BERTH	Kiewit	REF. NO.						
		HOLD						
FINAL SURVEY After Loading								
		Forward			**Aft**		**Midship**	
Dist. Bet. draft marks& PP's	-	0.25	m.	-	-3.30	m.	0.65	m.
Portside draft reading	-	6.800	m.	-	7.75	m.	7.23	m.
Starboardside draft reading	-	6.800	m.	-	7.75	m.	7.20	m.
Mean drafts	-	6.800	m.	-	7.750	m.	7.215	m.
Draft correction	-	0.0018	m.	-	-0.0236	m.	0.0046	m.
Draft at Perpendiculars/amidships	-	6.7982	m.	-	7.7264	m.	7.2104	m.
Mean forward & Aft	-	7.2623	m.	Length bet. Perpendiculars			130.00	m.
Mid mean	-	7.2104	m.	Length bet. Draft marks			133.05	m.
Mean of Means	-	7.2363	m.	Apparent Trim (Head)/stern			0.950	m.
Quarter Mean	-	7.2234	m.	Corrected Trim(Head)/stern			0.928	m.
Keel Thickness		0.015	m.					
Displacement at Quarter Mean	-	15988.648	MT	Sea Water Density			1.0270	g/cc
First Trim Correction	-	42.539	MT	Deflection (hog)/sag			-0.0520	m.
Second Trim Correction	-	6.273	MT	Tonnes per cm. Immersion			24.700	MT
Displacement Corrected for Trim	-	16037.460	MT	L C F (fwd)/aft			2.412	m.
Density Correction	-	31.293	MT	mtc @ QM +0.50 m			225.900	
Displacement Corrected for Density	-	16006.167	MT	mtc @ QM -0.50 m			206.970	
Non Cargo Weights				dm/dz			-	
Fuel Oil	-	417.42	MT	Sea Condition (Beaufort Scale)				
Diesel Oil	-	114.56	MT			Calm (0 - 0.10 m.)		
Fresh Water	-	87.00	MT			Smooth (0.10 - 0.30 m.)		
Ballast Water	-	864.41	MT		XXXXX	Slight (0.30 - 0.60 m.)		
Others Lube Oil	-	438.69	MT			Moderate (0.60 - 1.20 m.)		
Total Non Cargo Weights	-	1922.08	MT			Rough (1.20 - 2.40 m.)		
NET DISPLACEMENT	-	14084.09	MT			V. Rough (2.40 m. & above)		
				Tide:				
Light Ship	-	5162	MT	Attending Parties :		XXX	NMS Surveyor	
	-					XXX	Chief Officer	
	-					XXX	Supplier Surveyor	
Cargo Loaded at Marystown	-	**8736.0**	**MT**					
Signed	-							

Note :If the center of floatation is forward of amidship, the LCF must be entered as negative.

All work is undertaken to the best of our knowledge and ability, and our responsibility is limited to the exercise of reasonable care and attention. This report is issued without prejudice and is for the benefit of whom it may concern

A. HARVEY
LOGISTICS
HARVEY
CUSTOMS BROKERAGE · SHIPS AGENCY · FREIGHT FORWARDING

60 Water Street, St. John's, NL A1C 1A3, Canada
Office: +1 (709) 576-4761 (24/7) Fax: +1 (709) 576-0159 Email: logistics@aharvey.nf.ca

MATE'S RECEIPT

Date: 11-Feb-21

Vessel	M/V Oslo Bulk 8	
Voyage Number	V.158	
Port of Loading	Marystown, NL, Canada	
Port of Discharge	Cagliari, IT	
Commenced Loading	05-Feb-21	1645 LT
Completed Loading	11-Feb-21	0515 LT

Marks	Description	Gross Weight
NO MARKS NO NUMBERS	FLUORSPAR (CALCIUM FLUORIDE) IN BULK HS CODE: 2529.22 COUNTRY OF ORIGIN: CANADA	7239.02 METRIC TONS

Quantity and quality of the cargo is declared by the shipper.

NOTE
Poor weather conditions existed at time of draft survey

Carl Follett

Feb 11/21

IMO № 9485813
Oslo Bulk 8

A. HARVEY LOGISTICS

HARVEY

CUSTOMS BROKERAGE · SHIPS AGENCY · FREIGHT FORWARDING

60 Water Street, St. John's, NL A1C 1A3, Canada

Office: +1 (709) 576-4761 (24/7) Fax: +1 (709) 576-0159 Email: logistics@aharvey.nf.ca

Carl Follett
Canada Fluorspar (NL) Inc

Captain Dmitry Podvysotskiy
M/V Oslo Bulk 8

A. HARVEY LOGISTICS

60 Water Street
P.O. Box 5774
St. John's, NL A1C 1A3
Phone: (709) 576-4761
Fax: (709) 576-0159
Email: agency@aharvey.nf.ca

PORT LOG / STATEMENT OF FACTS

Vessel	:	MV Janet C [v. v5]	Port	:	Kiewit Dock, Marystown, NL

Arrived	:	26-Apr-22	Time	:	1900 LT	Berth	:	EOSP
Docked	:	28-Apr-22	Time	:	1035 LT	Berth	:	Kiewit Dock

Pilot Launch Assistance – Docking	:	Yes	Date	:	28-Apr-22
Pilot Launch Assistance – Undocking	:	Yes	Date	:	05-May-22
Tug Assistance – Docking	:	No	Date	:	-
Tug Assistance – Undocking	:	No	Date	:	-

Notice of Readiness Tendered	:	Date	:	28-Apr-22	Time	:	0001 LT
Notice of Readiness Signed	:	Date	:	28-Apr-22	Time	:	1620 LT

Commenced Loading	:	Date	:	28-Apr-22	Time	:	2322 LT
Completed Loading	:	Date	:	04-May-22	Time	:	0853 LT

Total Cargo Loaded	:	8,736.0 MT of fluorspar concentrate

Sailed for	:	Odda, Norway	Date	:	05-May-22	Time	:	1300 LT

Arrival Bunkers	:	HFO	:	417.7 MT	MGO	:	120.4 MT
Bunkers Received	:	HFO	:	-	MGO	:	-
Departure Bunkers	:	HFO	:	417.7 MT	MGO	:	113.5 MT

Draft on Arrival	:	FWD	:	4.30 m	AFT	:	6.70 m
Draft on Departure	:	FWD	:	7.0 m	AFT	:	7.40 m

FW on Arrival	:	Amount	:	108 MT
FW on Departure	:	Amount	:	84 MT

DATE	DAY	START	STOP	DETAILS
April 26, 2022	Tuesday	1900		EOSP. Arrive at pilot station.
		1900	0001	Ship at anchorage awaiting dock availability
April 27, 2022	Wednesday	0001	2359	Ship at anchorage awaiting dock availability
April 28, 2022	Thursday	2359	0910	Ship at anchorage awaiting dock availability. NOR tendered at 0001LT.
		0910	1010	POB. Ship underway to the dock.
		1010		First line
		1035		All fast
		1050		Gangway down
		1055	1355	Surveyor performing draft survey and hatch inspection
		1620		Certificate of Readiness to Load issued by Transport Canada. NOR accepted at 1620LT.
		1640	2322	No loading as hatches closed due to rain

PORT LOG / STATEMENT OF FACTS

		2322	0522	Loading
April 29, 2022	**Friday**	0522	0705	Stop loading. Hatches closed due to rain.
		0705	0835	Loading
		0835	0918	Waiting on trucks
		0918	1043	Loading
		1043	1241	Stop loading. Hatches closed due to rain.
		1241	1429	Loading
		1429	1517	Waiting on trucks
		1517	1914	Loading
		1914	1944	Loading in hold # 1 complete. Shift to hold # 2.
		1944	2203	Loading
		2203	2245	Waiting on trucks
		2245	0101	Loading
April 30, 2022	**Saturday**	0101	0155	Waiting on trucks
		0155	0323	Loading
		0323	0430	Stop loading. Hatches closed due to rain.
		0430	0501	Open hatches. Waiting on trucks
		0501	0630	Loading
		0630	0739	Waiting on trucks
		0739	0939	Loading
		0939	1018	Waiting on trucks
		1018	1213	Loading
		1213	1312	Waiting on trucks
		1312	1450	Loading
		1450	1541	Waiting on trucks
		1541	1735	Loading
		1735	1815	Waiting on trucks
		1815	1901	Loading
		1901	1940	Waiting on trucks
		1940	2132	Loading
		2132	2234	Loading in hold # 2 complete. Shift to hold # 1.
		2234	2333	Loading
		2333	0051	Stop loading. Hatches closed due to rain.
May 1, 2022	**Sunday**	0051	0130	Loading
		0130	0238	Stop loading. Hatches closed due to rain.
		0238	0440	Loading
		0440	0520	Waiting on trucks
		0520	0647	Loading
		0647	0733	Waiting on trucks
		0733	0928	Stop loading. Hatches closed due to rain.
		0928	2359	No loading due to blockade by trucking company
May 2, 2022	**Monday**	2359	1727	No loading due to blockade by trucking company
		1727	1758	Loading
		1758	1912	Waiting on trucks
		1912	2029	Loading
		2029	2248	Stop loading. Hatches closed due to rain.
		2248	2257	Loading
		2257	0032	Stop loading. Hatches closed due to rain.
May 3, 2022	**Tuesday**	0032	0154	Loading
		0154	0317	Waiting on trucks
		0317	0440	Loading
		0440	0615	Waiting on trucks
		0615	0708	Loading
		0708	0804	Waiting on trucks
		0804	0851	Loading
		0851	0945	Stop loading. Switch cargo holds.
		0945	1016	Loading
		1016	1053	Waiting on trucks
		1053	1320	Loading
		1320	1356	Waiting on trucks
		1356	1434	Loading

PORT LOG / STATEMENT OF FACTS

		1434	1528	Waiting on trucks
		1528	1533	Loading
		1533	1630	Waiting on trucks
		1630	1803	Loading
		1803	1940	Waiting on trucks
		1940	1955	Loading
		1955	2040	Waiting on trucks
		2040	2110	Loading
		2110	2225	Waiting on trucks
		2225	2240	Loading
		2240	2315	Waiting on trucks
		2315	2334	Loading
		2334	0105	Waiting on trucks
May 4, 2022	Wednesday	0105	0250	Loading
		0250	0425	Waiting on trucks
		0425	0630	Loading
		0630	0802	Waiting on trucks
		0802	0853	Loading
		0853		Completed Loading
		0853	1030	Trimming cargo and removing skid steers from holds.
		1045		Start draft survey
			1400	Completed draft survey
				Total amount onboard as per final draft survey = 8,736.0 mts
				No delays or lost time on ships account.
				For time worked only, subject to terms and conditions of relevant charter party.

m.v. JANET C
Cowes
GT: 9530 / 5400 kW
IMO No: 9430129
Official No: 915670

Marius Bitlan
Master of MV Janet C

05-May-2022
Date

Frank Hatcher, A. Harvey Logistics
Without prejudice and as Agents only

05-May-2022
Date

Transport Canada / Transports Canada

FITNESS TO PROCEED CERTIFICATE

Issued pursuant to the *Canada Shipping Act, 2001*, for a vessel wholly or partly loaded with concentrates, grain, or timber deck cargo.

CERTIFICAT D'APTITUDE AU TRANSPORT

Délivré en vertu de la ***Loi de 2001 sur la marine marchande du Canada***, à un bâtiment totalement ou partiellement chargé de concentrés, de grains ou de cargaison de bois en pontée

Name of vessel – Nom du bâtiment	Port of registry – Port d'immatriculation	IMO number – N° OIM
M/V JANET C	COWES	9430129

Port of issue – Port de délivrance	Date (dd-mm-yyyy / jj-mm-aaaa)	Local time (24 hr) – Heure locale (24h)
ST. JOHN'S NL	04/05/2022	16:58

Type of cargo – Type de cargaison : ⦿ Concentrates – Concentrés ○ Grain – Grains ○ Timber deck cargo – Cargaison de bois en pontée

Cargo space Espace à cargaison	Particulars of cargo, manner of stowage and securing Détails relatifs à la cargaison, méthode d'arrimage et d'assujettissement
TONNAGE (APPROXIMATE) BY SCALE. HOLD #1 4296 M/T HOLD #2 4440 M/T	VESSEL DECLARED 8736 METRIC TONS OF FLUORSPAR CONCENTRATES (SURVEY) LOADED AT THIS PORT IN ACCORDANCE WITH THE CARGO, FUMIGATION AND TACKLE REGULATIONS. • DEPARTURE LOAD PORT: MAX. SF: 80.1 % MAX. BM: 69.8 % • ARRIVAL DISCHARGE PORT: MAX. SF: 79.4 % MAX. BM: 69.6 % • CALCULATED STOWAGE FACTOR: 0.70 CUBIC METERS/MT MOISTURE REPORT FROM SAMPLES TAKEN THROUGHOUT LOADING 7.34 % CARGO SURFACES TRIMMED REASONABLY LEVEL IN ALL HOLDS, TANK TOP LOAD DENSITY WITHIN ALLOWABLE LIMITS == DANGER! CARGO MAY BE SUBJECT TO OXIDATION. PERSONS ENTERING CLOSED HOLDS WITHOUT BREATHING APPARATUS RISK DEATH BY ASPHYXIATION. == This certificate has been issued remotely based on the review of documents submitted by the vessel, and the Master's declaration that the vessel complies with all applicable regulatory requirements for loading.

Note: Loading of cargo spaces marked with an asterisk (*) was completed in the previous port of loading. These spaces were not opened/inspected in the port of issuing the present certificate and the particulars, manner of stowage and securing of the cargo in these cargo spaces is stated as provided in the Certificate of Fitness to Proceed issued:

Note : Le chargement des espaces à cargaison marqués d'un astérisque (*) a été complété dans le port de chargement précédent. Ces espaces n'ont pas été ouverts ou inspectés au port de délivrance du présent certificat. Les particularités en lien avec les méthodes d'arrimages et d'assujettissements de la marchandise entreposée dans ces espaces à cargaison sont énoncées dans le Certificat d'Aptitude au Transport délivré à:

Name of port: / Nom du port : MARYSTOWN NF

Date: (dd-mm-yyyy dd-mm-aaaa) 04/05/2022

82-0501 (2003-20)

DISTRIBUTION: 1. VESSEL'S COPY – COPIE DU BÂTIMENT 2. CUSTOM COPY – COPIE DE LA DOUANE 3. DOCK COPY – COPIE DU PORT 4. FILE COPY – COPIE POUR LE DOSSIER

Canada

Concentrates **Concentrés**	F.M.P. P.D.A. 11.7	T.M.L. L.E.H.T. 10.5	M.C. T.E.H. 7.34	**Optional information which may be noted by the Marine Safety Inspector** **Renseignements qui peuvent être notés par l'inspecteur de Sécurité maritime**
Drafts **Tirants d'eau**	Forward Avant 7.05 M			Total cargo loaded at this port – Cargaison totale chargée au port 8736.0 M/T
	Aft Arrière 7.40 M			Other cargo on board – Autre cargaison à bord Nil
	Midship Milieu 7.25 M			Fuel oil – Mazout 532.3 M/T
Freeboard – Franc-bord 3.77 M				Fresh water – Eau douce 87.0 M/T
Water density – Densité de l'eau 1027				Ballast – Lest 864 M/T
F.W.A. – A.E.D. 179 mm				Constant – Constante 250 M/T

Seasonal Draft **Tirant d'eau saisonnier**	S. E. ⦿	W. H. ○	WNA HAN ○	G.M. – H.M.	Other – Autre 438.69 M/T
	L.S. B.E. ○	L.W. B.H. ○	LWNA BHAN ○	2.92 M	Total deadweight – Port en lourd total 10507 M/T

This Certificate is not of seaworthiness, but may be used to obtain clearance to:
Le présent document ne constitue pas un certificat de navigabilité, mais peut-être utilisé pour obtenir un congé à : ODDA, NORWAY

I HEREBY CERTIFY that the stowage of the cargo in the above vessel conforms with the ***Cargo, Fumigation and Tackle Regulations***, the vessel is fit to proceed to sea.

JE CERTIFIE PAR LA PRÉSENTE que l'arrimage des cargaisons du bâtiment susmentionné est conforme au ***Règlement sur les cargaisons, la fumigation et l'outillage de chargement***, le bâtiment est apte à prendre la mer.

ORIGINAL

Ducey, John   Ducey, John St.John's,NL 2022.05.04 16:59:14-02'30'

CAPTAIN JOHN DUCEY

Print name – Nom en lettres moulées

Signature of the Marine Safety Inspector

Signature de l'inspecteur de la Sécurité maritime

TRANSPORT CANADA TRANSPORTS CANADA MARINE SAFETY SÉCURITÉ MARITIME CANADA St. John's, NL

Canada

Appendix "E"

2022 01G 0709
IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF an application of Canada Fluorspar Inc., and Canada Fluorspar (NL) Inc., by its Interim Receiver Grant Thornton Limited

AND IN THE MATTER OF the Companies' Creditors Arrangement Act, R.S.C. 1985, C. c-36, as amended

ORDER APPROVING A SALE AND INVESTMENT SOLICITATION PROCESS

[1] **CONSIDERING** the Applicant's *Application for the issuance of (i) an Initial Order, (ii) an Amended and Restated Initial Order, (iii) an Order approving the DIP Financing Agreement ;and (iv) an Order approving a Sale and Investment Solicitation Process* (the "**Application**"), the affidavit of Phil Clarke dated the 8th day of March, 2022 and the exhibits in support thereof;

[2] **CONSIDERING** the submissions of counsel;

[3] **CONSIDERING** the pre-filing report prepared by Grant Thornton Limited (the "**Monitor**");

[4] **CONSIDERING** the provisions of the *Companies' Creditors Arrangement Act* ("**CCAA**");

THE COURT:

[5] **GRANTS** the Application.

DEFINITIONS

[6] **DECLARES** that all capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Bidding Procedures (as defined below).

SERVICE

[7] **DECLARES** that sufficient prior notice of the presentation of the Application has been given by the Applicant to interested parties, and that further service thereof is hereby dispensed with.

[8] **PERMITS** the service of the present Order (this "**Order**") at any time and place and by any means whatsoever.

Filed Mar. 21/22

SISP

[9] **APPROVES** and **RATIFIES** the Sale and Investment Solicitation Process ("**SISP**") set forth in the Procedures for the Sale and Investment Solicitation Process attached as Schedule "A" hereto (the "**Bidding Procedures**").

[10] **AUTHORIZES** the Applicant and the Company, to the extent the Company assists with the SISP, to implement the SISP and to take such steps and execute such documentation as may be necessary or incidental thereto, the whole in accordance with the Bidding Procedures.

[11] **ORDERS** that the Applicant and the Company, as well as respective affiliates, partners, directors, employees, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages or liability of any nature or kind to any person in connection with or as a result of performing their duties under the SISP, except to the extent of such losses, claims, damages or liabilities resulting from gross negligence or willful misconduct of any such person or entity, as applicable, as determined by this Court.

GENERAL

[12] **ORDERS** that the Applicant and the Company, to the extent the Company assists with the SISP are authorized and permitted under applicable law to disclose and transfer to Potential Bidders and to their advisors personal information in the custody or control of the Company relating to the operation of the business, including human resources and payroll information, records pertaining to the Company's past and current employees, and information about any consumer, website visitor or other individual (collectively, "**Personal Information**"), but only to the extent necessary to negotiate, determine whether to proceed with, and attempt to complete a transaction in accordance with the SISP (a "**Transaction**"). Each Potential Bidder to whom any Personal Information is disclosed shall maintain and protect the Personal Information with security safeguards appropriate to the sensitivity of the Personal Information and as may otherwise be required by applicable federal or provincial privacy legislation and limit the use of such information to its evaluation of a Transaction, and if it does not complete a Transaction with the Applicant, shall return all such information to the Applicant, or in the alternative permanently destroy all such information.

[13] **ORDERS** that the Applicant may from time to time apply to this Court for advice and directions in the discharge of their respective powers and duties hereunder or under the SISP.

[14] **REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, in the United States of America or elsewhere, to give effect to this Order and to assist the Applicant, as applicable, and their respective agents in carrying out the terms of this Order.

[15] **ORDERS** the provisional execution of this Order notwithstanding appeal and without any security or provision for costs whatsoever.

[16] **WITHOUT COSTS.**

C. Foley

COURT
OFFICER

02

Schedule "A"

Procedures for the Sale and Investment Solicitation Process

On March 7, 2022, Canada Fluorspar Inc., and Canada Fluorspar (NL) Inc., by their Interim Receiver, Grant Thornton Limited, and Newspar (a General Partnership) (collectively the "**Company**" or the "**Applicant**") commenced proceedings (the "**CCAA Proceedings**") under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**") before the Supreme Court of Newfoundland and Labrador (in Bankruptcy and Insolvency) in the City of St. John's, in the Province of Newfoundland and Labrador (the "**Court**") pursuant to an order granted by the Court on March 11, 2022. Said order was amended and restated by the Court on March 18, 2022 (collectively, as further amended or restated from time to time, the "**Initial Order**").

Pursuant to the Initial Order, Grant Thornton Limited was appointed as monitor in the CCAA Proceedings (in such capacity, the "**Monitor**").

On March 18, 2022, the Court granted an order (the "**Bidding Procedures Order**"), authorizing the Applicant to undertake a sale and investment solicitation process ("**SISP**") for the sale of the Company's business, property, assets and undertakings (collectively, the "**Business**"). The SISP shall be conducted by the Monitor, supported by the Company as required, in the manner set forth herein.

Among other things, the Bidding Procedures Order authorizes and directs the Monitor and the Company to conduct the SISP in accordance with the bidding procedures set out herein (the "**Bidding Procedures**") governing the solicitation of offers or proposals (each a "**Bid**") for the acquisition of the Business or some portion thereof.

Defined Terms

1. Capitalized terms used in this SISP have the meanings given thereto in Appendix A.

Bidding Procedures

Opportunity

2. The SISP is intended to solicit interest in, and opportunities for: (i) one or more sales or partial sales of all, substantially all, or certain portions of the Business; and/or (ii) for an investment in, restructuring, recapitalization, refinancing or other form of reorganization of the Company or its Business. Bids considered pursuant to the SISP may include one or more of an investment, restructuring, recapitalization, refinancing or other form of reorganization of the business and affairs of the Company as a going concern or a sale (or partial sales) of all, substantially all, or certain aspects of the Business, or a combination thereof (the "**Opportunity**").

3. All interested parties are encouraged to submit bids based on any form of Opportunity that they may elect to advance pursuant to the SISP, including as a Sale Proposal or an Investment Proposal.

4. The Bidding Procedures describe the manner in which prospective bidders may gain access to due diligence materials concerning the Company and the Business, the manner in which

bidders may participate in the SISP, the requirement of and the receipt and negotiation of bids received, the ultimate selection of a Successful Bidder and the requisite approvals to be sought from the Court in connection therewith. The Monitor shall conduct the SISP in the manner set forth herein.

The Monitor, in consultation with the Company and the DIP Lenders, may at any time and from time to time, modify, amend, vary or supplement, whether material or immaterial the SISP or the Bidding Procedures, if necessary or useful in order to give effect to the substance of the SISP, the Bidding Procedures and the Bidding Procedures Order.

The Monitor shall post on the Monitor's website, as soon as practicable, any such modification, amendment, variation or supplement to the Bidding Procedures and inform the bidders impacted by such modifications.

In the event of a dispute as to the interpretation or application of the SISP or Bidding Procedures, the Court will have exclusive jurisdiction to hear and resolve such dispute.

5. No bidder may request or receive any form of bid protection as part of any bid made pursuant to the SISP.

As more particularly set out herein, a summary of the key dates pursuant to the SISP are as follows:[1]

Event	Date
1. Solicitation Letter Monitor to distribute Solicitation Letter, to potentially interested parties	By no later than March 20 2022, at 5:00 p.m. (Newfoundland Standard Time)
2. CIM and VDR Monitor to prepare and have available for parties having executed the NDA (Potential Bidders) the CIM and VDR	By no later than March 23, 2022, at 5:00 p.m. (Newfoundland Standard Time), or at such later time as the Monitor, in consultation with the Company, deems appropriate
3. Phase 1 Qualified Bidders & Bid Deadline Phase 1 Bid Deadline (for delivery of non-binding LOIs by Phase 1 Qualified Bidders in accordance with the requirement of paragraph 14 of the Bidding Procedures)	By no later than April 17, 2022, at 5:00 p.m. (Newfoundland Standard Time)

[1] All capitalized terms not already defined are defined further below. Titles in the chart are for presentation purposes only.

Q

Event	Date
4. Phase 1 Successful Bid Monitor to notify each Phase 1 Qualified Bidder in writing as to whether its bid constituted a Phase 1 Successful Bid	By no later than April 24, 2022, at 5:00 p.m. (Newfoundland Standard Time)
5. Phase 2 Bid Deadline & Qualified Bidders Phase 2 Bid Deadline (for delivery of definitive offers by Phase 2 Qualified Bidders in accordance with the requirement of paragraph 22 of the Bidding Procedures)	By no later than June 12, 2022, at 5:00 p.m. (Newfoundland Standard Time)
6. Auction Auction Commencement Date (if needed)	By no later than June 19, 2022
7. Selection of final Successful Bid Deadline for selection of final Successful Bid	By no later than June 19, 2022, at 5:00 p.m. (Newfoundland Standard Time)
8. Definitive Documentation Deadline for completion of definitive documentation in respect of Successful Bid	By no later than June 26, 2022
9. Approval Motion – Successful Bid Deadline for filing of Approval Motion in respect of Successful Bid	By no later than July 3, 2022
10. Closing – Successful Bid Anticipated deadline for closing of Successful Bid being the Target Closing Date	July 10, 2022 or such earlier date as is achievable
11. Outside Date – Closing Outside Date by which the Successful Bid must close	July 10, 2022

a

Solicitation of Interest: Notice of the SISP

6. As soon as reasonably practicable after the granting of the Bidding Procedures Order:

   (a) a notice of the SISP and such other relevant information which the Company, in consultation with the Monitor and the DIP Lenders, considers appropriate shall be published in the *National Post*, the *Telegram (NL)* and *The Globe & Mail* and such other publications as may be considered appropriate;

   (b) a press release setting out the notice and such other relevant information regarding the Opportunity as may be considered appropriate, shall be issued with *Canada Newswire* designating dissemination in Canada; and

   (c) any parties that have already reached out to the Monitor expressing their interest.

7. The Monitor shall send a letter describing the Opportunity (a "**Solicitation Letter**"), outlining the SISP and inviting recipients of the Solicitation Letter to express their interest pursuant to the SISP, for distribution to potential bidders as soon as practical.

Virtual Data Room

8. A confidential virtual data room (the "**VDR**") in relation to the Opportunity will be made available by the Company or the Monitor to Potential Bidders that have executed the NDA (as defined below) in accordance with paragraph 9 herein. The VDR will be made available as soon as practicable. Following the completion of "**Phase 1**", but prior to the completion of "**Phase 2**", additional information may be added to the VDR to enable Phase 2 Qualified Bidders to complete any confirmatory due diligence in respect of the Company and the Opportunity. The Monitor, in consultation with the Company and the DIP Lenders, may establish or cause the Company to establish separate VDRs (including "**clean rooms**"), if the Monitor reasonably determines that doing so would further the Company's and any Potential Bidders' compliance with applicable antitrust and competition laws, or would prevent the distribution of commercially sensitive competitive information. The Monitor may also, in consultation with the Company and the DIP Lenders, limit the access of any Potential Bidder to any confidential information in the VDR where the Monitor reasonably determines that such access could negatively impact the SISP, the ability to maintain the confidentiality of the information, the Business or its value.

PHASE 1: NON-BINDING LOIS

Phase 1 Qualified Bidders and Delivery of Confidential Information Memorandum

9. In order to participate in the SISP, and prior to the distribution of any confidential information to an interested party (including access to the VDR), such interested party must deliver to the Monitor at the address specified in Appendix B hereto (including by email) a Non Disclosure Agreement (an "**NDA**") which shall enure to the benefit of any Successful Bidder that closes a transaction contemplated by the Successful Bid. Pursuant to the terms of the NDA to be signed by a potential bidder (each potential bidder who has executed an NDA with the Monitor, a "**Potential Bidder**"), each Potential Bidder will be

a

prohibited from communicating with any other Potential Bidder regarding the Opportunity during the term of the SISP, without the consent of the Monitor. Prior to the Monitor executing an NDA with any potential bidder, any potential bidder may be required to provide evidence, reasonably satisfactory to the Monitor, in consultation with the Company, of its financial wherewithal to complete a transaction in respect of the Opportunity (either with existing capital or with capital reasonably anticipated to be raised prior to closing) and/or to disclose details of their ownership and/or investors. For the avoidance of doubt, a party who has executed an NDA or a joinder with a Potential Bidder for the purpose of providing financing to a Potential Bidder in connection with the Opportunity (such party a "**Financing Party**") shall not be deemed a Potential Bidder for purposes of the SISP, provided that such Financing Party undertakes to inform the Monitor in the event that it elects to act as a Potential Bidder.

10. A Potential Bidder that has executed an NDA and provided any additional information required pursuant to paragraph 9, will be deemed a "**Phase 1 Qualified Bidder**" and will be promptly notified of such classification by the Monitor.

11. The Monitor with the assistance of the Company and the DIP Lenders, as required, will prepare and send to each Phase 1 Qualified Bidder a confidential information memorandum providing additional information considered relevant to the Opportunity (a "**CIM**") as soon as practicable. The Monitor, the Company, the DIP Lenders and their respective advisors make no representation or warranty as to the information contained in the CIM or otherwise made available pursuant to the SISP.

12. The Monitor shall provide any person deemed to be a Phase 1 Qualified Bidder with access to the VDR. The Monitor, the Company, the DIP Lenders and their respective advisors make no representation or warranty as to the information contained in the VDR. The VDR shall contain a template letter of intent (the "**Template LOI**") and a template purchase and sale agreement ("**Template PSA**").

13. If a Phase 1 Qualified Bidder wishes to submit a bid, it must deliver a non-binding letter of intent (an "**LOI**") (each such LOI, provided in accordance with paragraph 14 below, a "**Phase 1 Qualified Bid**"), to the Monitor at the address specified in Appendix B hereto (including by email) so as to be received by the Monitor not later than 5:00 p.m. (Newfoundland Standard Time) on April 17, 2022, or such other date or time as may be agreed by the Monitor in consultation with the Company and the DIP Lenders (the "**Phase 1 Bid Deadline**"). To the extent possible, the Phase 1 Qualified Bid should follow the format as set out in the Template LOI.

14. An LOI submitted by a Phase 1 Qualified Bidder will only be considered a "**Phase 1 Qualified Bid**" if the LOI complies at a minimum with the following:

    (a) it has been duly executed by all required parties;

    (b) it is received by the Phase 1 Bid Deadline;

    (c) it provides written evidence, satisfactory to the Monitor, in consultation with the Company and the DIP Lenders, of the ability to consummate the transaction within

a

the timeframe contemplated by the SISP and to satisfy any obligations or liabilities to be assumed on closing of the transaction, including, without limitation, a specific indication of the sources of capital;

(d) it identifies all proposed material conditions to closing including, without limitation, any internal, regulatory or other approvals and any form of agreement or other document required from a government body, stakeholder or other third party, and an estimate of the anticipated timeframe and any anticipated impediments for obtaining such approvals;

(e) it: (i) identifies the Qualified Phase 1 Bidder and representatives thereof who are authorized to appear and act on behalf of the Qualified Phase 1 Bidder for all purposes regarding the contemplated transaction; and (ii) fully discloses the identity of each entity or person that will be sponsoring, participating in or benefiting from the transaction contemplated by the LOI;

(f) an outline of any additional due diligence required to be conducted in order to submit a binding offer;

(g) it clearly indicates:

(i) that the Phase 1 Qualified Bidder is seeking to acquire all or substantially all of the Business whether through an asset purchase, a share purchase or a combination thereof (either one being, a "**Sale Proposal**") or some other portion of the Business (a "**Partial Sale Proposal**"); and/or

(ii) whether the Phase 1 Qualified Bidder is offering to make an investment in, restructure, recapitalize, reorganize or refinance the Company or their business (an "**Investment Proposal**");

(h) it contains such other information as may be reasonably requested by the Monitor, in consultation with the Company and the DIP Lenders;

(i) it does not provide for any break fee or expense reimbursement;

(j) in the case of a Sale Proposal, it identifies or contains the following:

(i) the purchase price or price range and key assumptions supporting the valuation and the anticipated amount of cash payable on closing of the proposed transaction;

(ii) any contemplated purchase price adjustment;

(iii) a description of the specific assets that are expected to be subject to the transaction and any assets or obligations expected to be excluded;

(iv) a description of those liabilities and obligations (including operating liabilities, obligations to employees, and reclamation obligations) which the

Phase 1 Qualified Bidder intends to assume and which such liabilities and obligations it does not intend to assume;

(v) information sufficient for the Monitor, in consultation with the Company and the DIP Lenders, to determine that the Phase 1 Qualified Bidder has sufficient ability to satisfy and perform any liabilities or obligations assumed pursuant to subparagraph (iv) above; and

(vi) any other terms or conditions of the Sale Proposal that the Phase 1 Qualified Bidder believes are material to the transaction; and

(k) in the case of an Investment Proposal, it identifies the following:

(i) a description of how the Phase 1 Qualified Bidder proposes to structure the proposed investment, restructuring, recapitalization, refinancing or reorganization;

(ii) the aggregate amount of the equity and/or debt investment to be made in the Company or their business;

(iii) the underlying assumptions regarding the *pro forma* capital structure;

(iv) a description of those liabilities and obligations (including operating liabilities, obligations to employees, and reclamation obligations) which the Phase 1 Qualified Bidder intends to assume and which such liabilities and obligations it does not intend to assume;

(v) information sufficient for the Monitor, in consultation with the Company, to determine that the Phase 1 Qualified Bidder has sufficient ability to satisfy and perform any liabilities or obligations assumed pursuant to subparagraph (iv) above; and

(vi) any other terms or conditions of the Investment Proposal that the Phase 1 Qualified Bidder believes are material to the transaction.

15. Notwithstanding the foregoing, the Monitor in consultation with the Company and the DIP Lenders may waive compliance with any one or more of the requirements in paragraph 14 and deem any such non-compliant LOI to be a Phase 1 Qualified Bid, provided that doing so shall not constitute a waiver by the Monitor of the requirements of paragraph 14 or an obligation on the part of the Monitor to designate any other LOI as a Phase 1 Qualified Bid. The Monitor will be under no obligation to negotiate identical terms with, or extend identical terms to, each Phase 1 Qualified Bidder;

Assessment of Phase 1 Qualified Bids and Subsequent Process

16. The Monitor, in consultation with the Company and the DIP Lenders, may, following the receipt of any LOI, seek clarification with respect to any of the terms or conditions of such LOI and/or request and negotiate one or more amendments to such LOI prior to

a

determining if the LOI should be considered a Phase 1 Qualified Bid or a Phase 1 Successful Bid (as defined below).

17. Following the Phase 1 Bid Deadline, the Monitor shall determine, in accordance with the requirements of paragraph 14 and in consultation with the Company, the LOI(s) that are selected as the most favourable Phase 1 Qualified Bid(s), which Phase 1 Qualified Bid(s) shall be deemed a "**Phase 1 Successful Bid(s)**" and which Phase 1 Qualified Bidder(s) accordingly shall be deemed a "**Phase 2 Qualified Bidder(s)**". For greater certainty, there can be more than one Phase 1 Qualified Bid that may be determined as being a Phase 1 Successful Bid, and more than one Phase 1 Qualified Bidder that may be determined as being a Phase 2 Qualified Bidder.

18. Only Phase 2 Qualified Bidders – being those that have submitted a Phase 1 Successful Bid – shall be permitted to proceed to Phase 2 of the SISP.

19. The Monitor shall notify each Phase 1 Qualified Bidder in writing as to whether its Phase 1 Qualified Bid constituted a Phase 1 Successful Bid – such that it is a Phase 2 Qualified Bidder – within five (5) Business Days of the Phase 1 Bid Deadline, or at such later time as the Monitor deems appropriate, in consultation with the Company.

20. Without limiting the provisions governing amendment of the SISP set out in paragraph 33 below, and notwithstanding the process and timeline for Phase 1, the process to identify and designate Phase 2 Qualified Bidders and the terms upon which Phase 2 may be continued as described below, the Monitor may at any time before or after the Phase 1 Bid Deadline, determine that Phase 2 is not required and may proceed to execute a definitive agreement (which shall be subject to Court approval) with respect to a transaction contemplated in a Phase 1 Qualified Bid submitted at any time on or before the Phase 1 Bid Deadline.

PHASE 2: FORMAL OFFERS AND REMOVAL OF CONDITIONS

Formal Binding Offers

21. Any Phase 2 Qualified Bidder that wishes to make a formal offer with respect to his/her/its Sale Proposal or Investment Proposal shall submit a binding offer (a "**Binding Offer**"): (a) in the case of a Sale Proposal, in the form of the Template PSA provided in the VDR, along with a marked version showing edits to the original form of Template PSA provided in the VDR; or (b) in the case of an Investment Proposal, a plan or restructuring support agreement in form and substance satisfactory to the Monitor, in consultation with the Company and the DIP Lenders (each, such Binding Offer submitted in accordance with paragraph 22 below, a "**Phase 2 Qualified Bid**") in each case to the Monitor, at the address specified in Appendix B hereto (including by email) so as to be received by the Monitor not later than 5:00 p.m. (Newfoundland Standard Time) on June 12, 2022, or such other date or time as may be agreed by the Monitor in consultation with the Company and the DIP Lenders (as may be extended, the "**Phase 2 Bid Deadline**").

22. A Binding Offer will only be considered as a Phase 2 Qualified Bid if the Binding Offer:

(a) has been received by the Phase 2 Bid Deadline;

(b) is a Binding Offer: (i) to purchase all, substantially all, or a portion of the Business; and/or (ii) to make an investment in, restructure, recapitalize, reorganize or refinance the Company or their business, on terms and conditions reasonably acceptable to the Company and the DIP Lenders;

(c) identifies all executory contracts of the Company that the Phase 2 Qualified Bidder will assume and clearly describes, for each contract or on an aggregate basis, how all monetary defaults and non-monetary defaults will be remedied, as applicable;

(d) is not subject to any financing conditionality;

(e) is unconditional, other than upon the receipt of the Approval Order(s) (as defined below) and satisfaction of any other conditions expressly set forth in the binding offer;

(f) includes acknowledgments and representations of the Phase 2 Qualified Bidder that it: (i) has had an opportunity to conduct any and all due diligence regarding the Opportunity prior to making its Binding Offer; (ii) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Business in making its Binding Offer; (iii) did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Opportunity or the completeness of any information provided in connection therewith, other than as expressly set forth in the Binding Offer or other transaction document submitted with the Binding Offer; and (iv) promptly will commence any governmental or regulatory review of the proposed transaction by the applicable competition, antitrust or other applicable governmental authorities;

(g) the Binding Offer must be accompanied by a letter that confirms that the Binding Offer: (i) may be accepted by the Monitor by countersigning the Binding Offer, and (ii) is irrevocable and capable of acceptance until the earlier of (A) two business days after the date of closing of the Successful Bid; and (B) the Outside Date;

(h) does not provide for any break fee or expense reimbursement;

(i) is accompanied by a deposit in the amount of not less than 5% of the cash purchase price payable on closing or total new investment contemplated, as the case may be (the "**Deposit**"), along with acknowledgement that if the Phase 2 Qualified Bidder is selected as the Successful Bidder (as defined below), that the Deposit will be non-refundable subject to approval of the Successful Bid (as defined below) by the Court and the terms described in paragraph 32 below;

(j) contemplates and reasonably demonstrates a capacity to consummate a closing of the transaction set out therein on or before July 10 2022, or such earlier date as is practical for the parties to close the contemplated transaction, following the satisfaction or waiver of the conditions to closing (the "**Target Closing Date**") and in any event no later than July 10, 2022 (the "**Outside Date**"); and

(k) contains an agreement that the Phase 2 Qualified Bidder submitting such bid, if not chosen as the Successful Bidder, shall serve, without modification to such bid, as a Backup Bidder (as defined below), in the event the Successful Bidder fails to close.

23. The Monitor shall not purport to waive strict compliance with any one or more of the requirements specified above (for greater certainty, other than paragraph 22(c) above and paragraph 32 below and deem any such non-compliant Binding Offer to be a Phase 2 Qualified Bid.

Selection of Successful Bid

24. The Monitor, in consultation with the Company and the DIP Lenders, may, following the receipt of any Binding Offer, seek clarification with respect to any of the terms or conditions of such Binding Offer and/or request and negotiate one or more amendments to such Binding Offer prior to determining if the Binding Offer should be considered a Phase 2 Qualified Bid.

25. The Monitor, in consultation with the Company and the DIP Lenders, will: (a) review and evaluate each Phase 2 Qualified Bid; and (b) identify the highest or otherwise best bid (the "**Successful Bid**", and the Phase 2 Qualified Bidder making such Successful Bid, the "**Successful Bidder**") pursuant to the paragraphs below. Any Successful Bid shall be subject to approval by the Court.

26. In the event there is at least two Phase 2 Qualified Bids, the Successful Bid shall be identified through an Auction.

27. Auction: In the event that an auction (the "**Auction**") is required in accordance with the terms of this SISP, it shall be conducted in accordance with the procedures set forth in this paragraph:

(a) The Auction shall commence at a time to be designated by the Monitor, no later than June 19, 2022, and may, in the discretion of the Monitor, be held virtually due to the COVID-19 pandemic via videoconference, teleconference or such other reasonable means as the Monitor deems appropriate. The Monitor and the Company shall work in good faith with the parties entitled to attend the Auction to arrange for the Auction to be so held. The Monitor reserves the right to cancel or postpone the Auction in the consultation with the DIP Lenders.

(b) The identity of each Phase 2 Qualified Bidder participating in the Auction will be disclosed, on a confidential basis, to each other Phase 2 Qualified Bidder participating in the Auction.

(c) Except as otherwise permitted in the Monitor's discretion, only the Company, the Dip Lenders, the Monitor and the Phase 2 Qualified Bidders, and, in each case, their respective professionals shall be entitled to attend the Auction. Only a Phase 2 Qualified Bidder is eligible to participate in the Auction.

(d) Phase 2 Qualified Bidders shall appear at the Auction, or through a duly authorized representative.

(e) Except as otherwise set forth herein, the Monitor, in consultation with the Company and the DIP Lenders, may waive and/or employ and announce at the Auction additional rules, including rules to facilitate the participation of parties participating in an aggregated bid, that are reasonable under the circumstances for conducting the Auction, provided that such rules are: (i) not inconsistent with the Initial Order, the SISP, the Bidding Procedures, the DIP, the CCAA, or any order of the Court entered in connection with the CCAA Proceedings; (ii) disclosed to each Phase 2 Qualified Bidder; and (iii) designed, in the Monitor's business judgment, to result in the highest and otherwise best offer.

(f) The Monitor will arrange for the actual bidding at the Auction to be transcribed or recorded. Each Phase 2 Qualified Bidder participating in the Auction shall designate a single individual to be its spokesperson during the Auction.

(g) Each Phase 2 Qualified Bidder participating in the Auction must confirm on the record, at the commencement of the Auction and again at the conclusion of the Auction, that it has not engaged in any collusion with the Company or any other person regarding the SISP that has not been disclosed to all other Phase 2 Qualified Bidders.

(h) Prior to the Auction, the Monitor shall identify, in consultation with the Company and the DIP Lenders, the highest and best of the Phase 2 Qualified Bids received and such Phase 2 Qualified Bid shall constitute the opening bid for the purposes of the Auction (the "**Opening Bid**"). Subsequent bidding will continue in minimum increments valued at not less than **$[250,000]** cash in excess of the Opening Bid. For the purposes of facilitating bidding, the Monitor may ascribe a monetary value to non-cash considerations, including by way of example, to different levels of conditionality to closing. Each Phase 2 Qualified Bidder shall provide evidence of its financial wherewithal and ability to consummate the transaction at the increased purchase price, if so requested by the Monitor. Further, in the event that an Aggregated Bid qualifies to participate in the Auction, modifications to the bidding requirements may be made by the Monitor to facilitate bidding by the participants in the Aggregated Bid.

(i) All Phase 2 Qualified Bidders shall have the right to, at any time, request that the Monitor announce, subject to any potential new bids, the then-current highest and best bid and, to the extent requested by any Phase 2 Qualified Bidder, use reasonable efforts to clarify any and all questions such Phase 2 Qualified Bidder

a

may have regarding the Monitor's announcement of the then-current highest and best bid.

(j) Each participating Phase 2 Qualified Bidder shall be given reasonable opportunity to submit an overbid at the Auction to any then-existing overbids. The Auction shall continue until the bidding has concluded and there is one remaining Phase 2 Qualified Bidder that the Monitor, in consultation with the Company and the DIP Lenders, determine has submitted the highest and otherwise best Phase 2 Qualified Bid of the Auction. At such time and upon the conclusion of the bidding, the Auction shall be closed and the final remaining Phase 2 Qualified Bidder shall be the Successful Bidder.

(k) Upon selection of a Successful Bidder, the Monitor shall require the Successful Bidder to deliver as soon as practicable an amended and executed transaction document that reflects its final bid and any other modifications submitted and agreed to during the Auction, prior to the filing of the application material for the hearing to consider the Approval Motion (as defined below).

(l) The Monitor shall not consider any bids submitted after the conclusion of the Auction.

28. The final Successful Bid and the Backup Bid (as defined below) shall be selected by no later than June 19, 2022 and the definitive documentation in respect of the Successful Bid must be finalized and executed no later than June 26, 2022, which definitive documentation shall be conditional only upon the receipt of the Approval Order(s) and the express conditions set out therein and shall provide that the Successful Bidder shall use all reasonable efforts to close the proposed transaction by no later than the Target Closing Date, or such longer period as shall be agreed to by the Monitor in consultation with the Company, the DIP Lenders and the Successful Bidder. In any event, the Successful Bid must be closed by no later than the Outside Date, unless with the authorization of the DIP Lenders, acting reasonably.

29. Notwithstanding anything in the SISP to the contrary, if an Auction is conducted, the Phase 2 Qualified Bidder with the next highest or otherwise best Phase 2 Qualified Bid at the Auction, as determined by the Monitor will be designated as the backup bidder (the "**Backup Bidder**"). The Backup Bidder shall be required to keep its initial Phase 2 Qualified Bid (or if the Backup Bidder submitted one or more overbids at the Auction, the Backup Bidder's final overbid) (the "**Backup Bid**") open until the earlier of: (A) two business days after the date of closing of the Successful Bid; and (B) the Outside Date.

Approval of Successful Bid

30. The Monitor shall apply to the Court (the "**Approval Motion**") for one or more orders: (i) approving the Successful Bid and the Backup Bid (as applicable) and authorizing the taking of such steps and actions and completing such transactions as are set out therein or required thereby; and (ii) granting a vesting order and/or reverse vesting order to the extent that such relief is contemplated by the Successful Bid or the Backup Bid, as applicable, so

n

as to vest title to any purchased assets in the name of the Successful Bidder or the Backup Bidder (as applicable) and/or vesting unwanted liabilities out of one or more of the Company (collectively, the "**Approval Order(s)**"). The Approval Motion will be held on a date to be scheduled by the Monitor and confirmed by the Court upon application by the Monitor, who shall use their best efforts to schedule the Approval Motion on or before July 3, 2022, subject to Court availability. The Approval Motion may be adjourned or rescheduled by the Monitor without further notice, by an announcement of the adjourned date at the Approval Motion or in a notice to the service list of the CCAA Proceedings prior to the Approval Motion.

31. All Phase 2 Qualified Bids (other than the Successful Bid) shall be deemed rejected on and as of the date of the closing of the Successful Bid, with no further or continuing obligation of the Monitor to any unsuccessful Phase 2 Qualified Bidders.

Deposits

32. The Deposit(s):

(a) shall, upon receipt from the Phase 2 Qualified Bidder(s), be retained by the Monitor and deposited in a non-interest-bearing trust account.

(b) received from the Successful Bidder, shall:

(i) be applied to the purchase price to be paid by the applicable Successful Bidder whose Successful Bid is the subject of the Approval Order(s), upon closing of the approved transaction; and

(ii) shall otherwise be held and refundable in accordance with the terms of the definitive documentation in respect of any Successful Bid, provided that all such documentation shall provide that the Deposit shall be retained by the Monitor and forfeited by the Successful Bidder, if the Successful Bid fails to close by the Outside Date, and such failure is attributable directly to any failure or omission of the Successful Bidder to fulfil its obligations under the terms of the Successful Bid;

(c) received from the Backup Bidder, unless it is subsequently selected as the Successful Bidder, shall be fully refunded, to the Backup Bidder on or before the earlier of: (i) two (2) Business Days after the date of the closing to the Successful Bid; or (ii) July 17, 2022; and

(d) received from the Phase 2 Qualified Bidder(s) that are not the Successful Bidder or the Backup Bidder shall be fully refunded, to the Phase 2 Qualified Bidder(s) that paid the Deposit(s) as soon as practical following the selection of the Successful Bidder and in any event no later than July 17, 2022.

Amendment

33. The Monitor shall have the right at any time, in consultation with the Company and the DIP Lenders, to: (i) make material amendments to the SISP (including by extending the Phase 1 Bid Deadline or the Phase 2 Bid Deadline); and (ii) make non-material amendments to the SISP, in each case if, in the Monitor's reasonable judgment in consultation with the Company and/or the DIP Lenders, such material or non-material amendment will enhance the procedure for conducting the SISP or maximize the value of a transaction pursuant to the SISP. The Monitor shall advise the Service List in the CCAA Proceedings of any material amendment to the SISP. Without limiting the foregoing and notwithstanding the process and timeline for Phase 1 and the continuation of the SISP into Phase 2, the Monitor may at any time during Phase 1 or Phase 2: (i) subject to Court approval, enter into a stalking horse agreement involving a transaction with respect to some or all of the Business with a party identified through the SISP or otherwise; or (ii) subject to Court approval, enter into a definitive agreement with respect to a transaction involving some or all of the Business with a party identified through the SISP or otherwise and suspend or terminate the SISP.

"As is, Where is"

34. Any sale (or sales) of the Business will be on an "**as is, where is**" basis except for representations and warranties that are customarily provided in purchase agreements for a company subject to CCAA proceedings and any such representations and warranties provided for in the definitive documents shall not survive closing.

Free of Any and All Claims And Interests

35. In the event of a sale, to the extent permitted by law, all of the rights, title and interests of the Company in and to the Business to be acquired will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, and interests thereon and there against (collectively, the "**Claims and Interests**") pursuant to section 36(6) of the CCAA, such Claims and Interests to attach to the net proceeds of the sale of such Business (without prejudice to any claims or causes of action regarding the priority, validity or enforceability thereof), except to the extent otherwise set forth in the relevant transaction documents with a Successful Bidder.

Credit Bidding

36. Any party or parties holding a valid, enforceable, and properly perfected security interest in the Business may, subject in all respects to such party's compliance with the Bidding Procedures, credit bid the amount of debt secured by such lien as part of any transaction contemplated by the Bidding Procedures; provided, however, that such transaction shall also provide for the indefeasible and irrevocable repayment in full in cash on the date of closing of any such transaction of any and all obligations: (i) owing to the DIP Lenders; (ii) owing pursuant to any charges granted by the Court in the CCAA Proceedings; and (iii) secured by a security interest in the Business that is to be acquired under such transaction that is senior to the security interest held in such Business by the party

submitting such credit bid unless the holder or indenture trustee or agent of any such senior security interest otherwise agrees. Nothing contained in this paragraph 36 is intended to, or shall, alter or amend the rights, terms or obligations under any intercreditor agreement or other form of agreement in respect of existing indebtedness of the Company.

<u>Confidentiality</u>

37. For greater certainty other than as shall be required in connection with any Auction or Approval Motion, neither the Company nor the Monitor will share: (i) the identity of any Potential Bidder, or Phase 1 Qualified Bidder; or (ii) the terms of any bid, LOI, Phase 1 Qualified Bid, Sale Proposal, Investment Proposal or Phase 2 Qualified Bid, with any other bidder without the consent of such party (including by way of email).

<u>Further Orders</u>

38. At any time during the SISP, the Monitor may apply to the Court for advice and directions with respect to any aspect of this SISP and the Bidding Procedures including, but not limited to, the continuation of the SISP or with respect to the discharge of its powers and duties hereunder.

<u>Additional Terms</u>

39. In addition to any other requirement of these Bidding Procedures:

(a) The Monitor, as applicable, shall at all times prior to the selection of a Successful Bid use commercially reasonable efforts to facilitate a competitive bidding process in the SISP including, without limitation, by actively soliciting participation by all persons who would be customarily identified as high potential bidders in a process of this kind or who may be reasonably proposed by any of the Monitor, the DIP Lenders or the Company's stakeholders as a high potential bidder.

(b) Any consent, approval or confirmation to be provided by the Company and/or the Monitor is ineffective unless provided in writing and any approval required pursuant to the terms hereof is in addition to, and not in substitution for, any other approvals required by the CCAA or as otherwise required at law in order to implement a Successful Bid. For the avoidance of doubt, a consent, approval or confirmation provided by email shall be deemed to have been provided in writing for the purposes of this paragraph.

(c) All Phase 1 Qualified Bidders and Phase 2 Qualified Bidders shall at all times be granted information, access and facilitation that is no less complete and timely than is granted by the Monitor, or their representatives, to other Phase 1 Qualified Bidders and Phase 2 Qualified Bidders pursuant to the SISP. This shall include, without limitation, reasonable access to the Company's books, records, financial information, management, advisors and business partners. The Monitor shall review all information and materials provided by the Company or its representatives to the DIP Lenders or their representatives pursuant to the DIP and, to the extent that the Monitor, in consultation with the Company, is of the view that any such information or materials are materially relevant to a Potential Bidder or Phase 1 Qualified Bidder or Phase 2 Qualified Bidder, then such information or materials shall be promptly posted to the VDR or otherwise made available to all Potential Bidders, Phase 1 Qualified Bidders and Phase 2 Qualified Bidders. Nothing in this paragraph creates binding obligations of third parties.

(d) Nothing in this SISP shall require that a Successful Bid, Backup Bid or any other bid must be approved by the Court. The Court at all times retains the discretion to direct the clarification, termination, extension or modification of the SISP and Bidding Procedures on application of any interested party.

(e) Prior to the seeking of Court approval for any transaction or bid contemplated by this SISP, the Monitor will provide a report to the Court on the SISP process, parts of which may be filed under seal, including in respect of any and all bids received.

APPENDIX A
DEFINED TERMS

"Applicant" shall have the meaning set forth in the preamble.

"Approval Motion" shall have the meaning set forth in paragraph 30.

"Approval Order(s)" shall have the meaning set forth in paragraph 30.

"Auction" shall have the meaning set forth in paragraph 27.

"Backup Bid" shall have the meaning set forth in paragraph 29.

"Backup Bidder" shall have the meaning set forth in paragraph 29.

"Bid" shall have the meaning set forth in the preamble.

"Bidding Procedures" shall have the meaning set forth in the preamble.

"Bidding Procedures Order" shall have the meaning set forth in the preamble.

"Binding Offer" shall have the meaning set forth in paragraph 21.

"Business" shall have the meaning set forth in the preamble.

"Business Day" means a day on which banks are open for business in St. John's, Newfoundland and Labrador but does not include a Saturday, Sunday or statutory holiday in the Province of Newfoundland and Labrador.

"CCAA" shall have the meaning set forth in the preamble.

"CCAA Proceedings" shall have the meaning set forth in the preamble.

"CIM" "shall have the meaning set forth in paragraph 11.

"Claims and Interests" shall have the meaning set forth in paragraph 35.

"Court" shall have the meaning set forth in the preamble.

"Deposit" shall have the meaning set forth in paragraph 22(i).

"DIP" means the DIP Financing Agreement dated March 7, 2022 among Grant Thornton Limited, as the Monitor/Interim Receiver of the Company and the lenders party thereto from time to time providing for DIP financing.

"DIP Lenders" means, collectively, Bridging Finance Inc. and/or an affiliate to be named, and Her Majesty in Right of Newfoundland and Labrador, as represented by the Minister of Industry, Energy and Technology, each in its capacity as lender under the DIP.

"Financing Party" shall have the meaning set forth in paragraph 9.

"Initial Order" shall have the meaning set forth in the preamble.

"Investment Proposal" shall have the meaning set forth in paragraph 14(g)(ii).

"LOI" shall have the meaning set forth in paragraph 13.

"Monitor" shall have the meaning set forth in the preamble.

"NDA" shall have the meaning set forth in paragraph 9.

"Opening Bid" shall have the meaning set forth in paragraph 27(h)27(h).

"Opportunity" shall have the meaning set forth in paragraph 2.

"Outside Date" shall have the meaning set forth in paragraph 22(j).

"Partial Sale Proposal" shall have the meaning set forth in paragraph 14(g)(i).

"Phase 1" shall have the meaning set forth in paragraph 8.

"Phase 1 Bid Deadline" shall have the meaning set forth in paragraph 13.

"Phase 1 Qualified Bid" shall have the meaning set forth in paragraph 13.

"Phase 1 Qualified Bidder" shall have the meaning set forth in paragraph 10.

"Phase 1 Successful Bid" shall have the meaning set forth in paragraph 17.

"Phase 2" shall have the meaning set forth in paragraph 8.

"Phase 2 Bid Deadline" shall have the meaning set forth in paragraph 21.

"Phase 2 Qualified Bid" shall have the meaning set forth in paragraph 21.

"Phase 2 Qualified Bidder" shall have the meaning set forth in paragraph 17.

"Potential Bidder" shall have the meaning set forth in paragraph 9.

"Sale Proposal" shall have the meaning set forth in paragraph 14(g)(i).

"SISP" shall have the meaning set forth in the preamble.

"Successful Bid" shall have the meaning set forth in paragraph 25.

"Successful Bidder" shall have the meaning set forth in paragraph 25.

"Target Closing Date" shall have the meaning set forth in paragraph 22(j).

"**Solicitation Letter**" shall have the meaning set forth in paragraph 7.

"**Template LOI**" shall have the meaning set forth in paragraph 12.

"**Template PSA**" shall have the meaning set forth in paragraph 12.

"**VDR**" shall have the meaning set forth in paragraph 8.

gn

APPENDIX B

TO the Company:

Canada Fluorspar Inc., Canada Fluorspar (NL) Inc. and Newspar (a General Partnership)

with a copy to:

Cox & Palmer

Attention: **Darren O'Keefe and Allison Philpott**
Email: dokeefe@coxandpalmer.com and aphilpott@coxandpalmer.com

TO THE MONITOR:

Grant Thornton Limited

Attention: **Phil Clarke and Sean MacNeil**
Email: phil.clarke@ca.gt.com and sean.macneil@ca.gt.com

with a copy to:

McInnes Cooper

Attention: **Meghan King and Geoff Spencer**
Email: meghan.king@mcinnescooper.com and geoffrey.spencer@mcinnescooper.com

Appendix “F”

MCINNES COOPER

Geoffrey Spencer
Direct +1 (709) 724 5675
geoffrey.spencer@mcinnescooper.com

5th Floor
10 Fort William Place
PO Box 5939
St. John's NL
Canada A1C 5X4
Tel +1 (709) 722 8735 | Fax +1 (709) 722 1763

Our File: 207444

April 18, 2022

Via email and courier

To whom it may concern:

Dear Sir/Madam:

RE: 2022 01G 0709
Canada Fluorspar (NL) Inc., Canada Fluorspar Inc., and Newspar (a General Partnership) (collectively, the "Companies")
Our Client: Grant Thornton Limited, Court-Appointed Monitor of the Companies

Pursuant to paragraph 33 of the Sales and Investment Solicitation Process (**"SISP"**) as approved by the Order Approving a Sales and Investment Solicitation Process dated March 21, 2022 (**"SISP Order"**) in relation to Canada Fluorspar Inc., Canada Fluorspar (NL) Inc. and Newspar (collectively, **"CFI"**), please be advised that the Monitor has extended the deadline to submit Phase 1 bids (delivery of non-binding LOI's) to **5:00 PM Newfoundland Standard Time on April 20, 2022.** A copy of the SISP and SISP Order, and other pertinent documents relating to the SISP, are available on the Monitor's case website: www.GrantThornton.ca/CFI.

No other changes to the SISP are being made at this time.

If you have any questions or would like to discuss, feel free to contact Mr. Jason Kanji at (416) 777-6136 (Jason.Kanji@ca.gt.com) or Mr. Phil Clarke, at (902) 420-7191 (Phil.Clarke@ca.gt.com).

Yours truly,

Geoffrey Spencer
Office Lead Partner

GS/tly
Encl.

Appendix "G"

Remote work unlocks reverse brain drain at Canadian startups

Hiring American workers will help firms grow faster and expose us to business practices happening south of the border

JONATHAN METRICK

OPINION

Chief growth officer at Portage Ventures

It was a conventional afternoon in San Francisco: the sun shining over the Bay Bridge and two sneaker-clad execs discussing the latest fintech trends. But their conversation was anything but conventional. These two execs were brainstorming ways to accelerate growth at a Canadian-based startup.

My conversation was with Alex Otrezov, an alumnus of U.S.-based tech leaders Uber and Expedia, and now the chief marketing officer at Koho Financial Inc., one of Canada's rapidly growing fintechs.

While Koho is based in Canada, Mr. Otrezov manages the firm's marketing from San Francisco. He's part of a growing trend of executives based in the United States being hired by Canadian startups.

There is a certain irony in this new phenomenon, since Canadians are used to constant carping about the brain drain of talented Canucks leaving for greener pastures in America. Statistics Canada estimates thousands of Canadians move south of the border each year.

I am part of this trend, having grown up in Toronto before seeking job opportunities in the U.S. after finishing school. Living in New York, I've met many Canadian expats who moved to the U.S. for career advancement.

But like so many pre-COVID-19 norms, the pandemic has thrown this conventional wisdom into question. Extended lockdowns have forced companies to embrace remote work forces across all levels of seniority. Canadian startups have leaned into this trend by seizing the opportunity to hire remote executives – increasingly from the rich, deep talent pool in the U.S.

The trend arrives at a crucial time as Canadian companies are increasingly facing a labour shortage and costly competition for tech talent. Enterprising companies are looking beyond the nation's borders to fill gaps in the labour market.

And why shouldn't they? Hiring experienced talent with exposure to larger markets and bigger budgets is beneficial for Canadian companies, and their employees. Seasoned American talent brings new ideas, new operating models and complementary networks that can help ambitious companies scale. A reverse Canadian brain drain.

I see this trend playing out in real time. Recently, LinkedIn published a list of Top Startups in Canada for 2021. The study ranks startups headquartered in Canada that have seen the largest increase in employment, job applications and ability to attract top talent.

I work closely with companies such as Wealthsimple Inc., Koho and Borrowell Inc. (No. 1, 6 and 7 on the list), all of which have hired at least one senior executive based in the U.S. since the start of the pandemic.

In fact, of the top 10 Canadian startups in the LinkedIn report, half have hired senior executives in the U.S. since March, 2020. This amount grows to 70 per cent of the 10 largest startups with more than 100 employees.

The senior roles being filled by U.S-based employees range from chief corporate officers for finance, technology, marketing and product – among the most difficult positions to fill in today's competitive job market.

As the CMO at Koho, Mr. Otrezov is just one example of a highly experienced, U.S.-based executive who is helping to build a rapidly growing startup without uprooting his life to relocate. It's a win-win.

"While Canadians are unique, they use much of the same technology and media as Americans do," he told me. "I can apply many of the growth strategies I learned at Uber in the U.S. to build Koho's business in Canada."

All businesses can draw inspiration from the unconventional conversations Canadian startups are now having south of the border. Remote work has unlocked a rare opportunity for Canadian companies to access sought-after talent, no matter where those individuals live.

More Canadian companies should expand their horizons and consider filling competitive roles with U.S.-based talent. Not only will this help firms grow faster, but it will also expose Canadian workers to the innovative business practices happening south of the border, without forcing them to leave the country.

It would also be an important step toward slowing, and potentially reversing, the perennial brain drain to the United States.

GM CANADA NAMES NEW PRESIDENT

OSHAWA, ONT. **General Motors** has named Marissa West its new president and general manager of GM Canada.

Ms. West is currently executive chief engineer for GM's mid-size and medium duty truck division.

Before that, she was director of GM's Global Noise & Vibration and Vehicle Dynamics Center.

Ms. West will replace current GM Canada president Scott Bell, who will be moving back to the U.S. to serve as the leader of GM's Chevrolet division.

Mr. Bell has been head of GM Canada since September, 2019.

GM says the transition will begin immediately.

THE CANADIAN PRESS

VERMILION SIGNS DEAL TO BUY LEUCROTTA

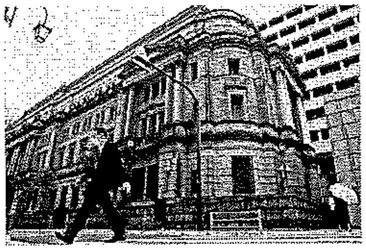
CALGARY Shares in Calgary-based **Leucrotta Exploration Inc.** closed up 50 per cent on Monday after the announcement that **Vermilion Energy Inc.** will acquire the junior energy company in a $477-million deal.

Shares in Leucrotta – a Montney-focused oil and natural gas exploration and development company with property in northeast British Columbia and northwest Alberta – were trading at $1.95, up from $1.30 at Friday's close.

Calgary-based Vermilion – an international oil and gas producer with assets in North America, Europe and Australia – announced the deal Monday morning, saying Leucrotta's assets will provide "decades of inventory" to the company's Western Canadian assets. THE CANADIAN PRESS

Bank of Japan offers to buy unlimited bonds

LEIKA KIHARA TOKYO



The Bank of Japan's efforts to defend its ultraloose policy pushed the yen to a six-year low of 123.25 to the U.S. dollar on Monday.
KIM KYUNG HOON/REUTERS

The Bank of Japan desperately defended its yield target on Monday by making two offers in a single day to buy an unlimited amount of government bonds, as it struggled against the global tide toward higher interest rates.

The central bank's efforts to defend its ultraloose policy pushed the yen to a six-year low of 123.25 to the U.S. dollar on Monday, pinching Japan's economy by inflating already surging fuel and raw material imports.

"The power of the BOJ's unlimited bond-buy offer is clearly waning," said Takahide Kiuchi, a former central bank board member who is now an economist at Nomura Research Institute.

"Markets may more forcefully test the BOJ's resolve to defend the 0.25-per-cent ceiling, which may prompt the bank to modify its approach and allow the 10-year yield to rise more."

The yield on the benchmark 10-year Japanese government bond (JGB) hit a fresh six-year high of 0.250 per cent on Monday, even after the BOJ stepped into the market with an offer to buy unlimited amount of JGBs to defend the implicit 0.25-per-cent cap set around its yield target.

After the morning offer failed to push down yields, the BOJ made a second offer in the afternoon to buy unlimited amounts of JGBs with maturities of more than five years and up to 10 years.

While the first offer drew no bids, the BOJ accepted bids to buy 64.5-billion yen ($652-million) in JGBs in the second offer.

The two offers, which were the first since Feb. 10, underscored the BOJ's resolve to keep rates ultra-low in contrast to the Federal Reserve's aggressive rate hike plans.

"Markets are putting the BOJ to test, so the central bank has no choice but to keep offering unlimited bond buying," said Takafumi Yamawaki, head of Japan fixed income research at JPMorgan Securities. "If yields are allowed to move above 0.25 per cent, investors will think the BOJ has tolerated a rise above that level. That makes it harder for the BOJ to carry on with yield curve control."

Under yield curve control, the BOJ pledges to guide the 10-year JGB yield around 0 per cent as part of efforts to stimulate the economy by keeping borrowing costs low.

The 10-year JGB yield has been creeping up in tandem with a rise in U.S. long-term interest rates, as investors have priced in the prospect of aggressive rate hikes by the Federal Reserve.

REUTERS

NEWFOUNDLAND AND LABRADOR

SUPREME COURT

(BANKRUPTCY AND INSOLVENCY)

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

AND IN THE MATTER OF THE COMPROMISE OR ARRANGEMENT OF

CANADA FLUORSPAR (NL) INC., CANADA FLUORSPAR INC. AND NEWSPAR (a General Partnership) (collectively, ("CFI" or the "Companies")

[CFI IS A FLUORSPAR MINE LOCATED IN ST. LAWRENCE, NEWFOUNDLAND]

INVITATION FOR INVESTMENT/ PURCHASE

On March 11, 2022, the Court granted an initial order pursuant to the Companies Creditors Arrangement Act (the "CCAA") over Canada Fluorspar (NL) Inc., Canada Fluorspar Inc., and Newspar (a General Partnership) (the "Initial Order"). Grant Thornton Limited was appointed monitor of the Companies (the "Monitor").

On March 18, 2022, the Initial Order was amended and restated by the Court. Furthermore, at said hearing the Court granted an order (the "Bidding Procedures Order"), authorizing the Company to undertake a sale and investment solicitation process ("SISP") for the sale of CFI's business, property, assets and undertakings (collectively, the "Business").

GRANT THORNTON LIMITED, in its capacity as Monitor is hereby soliciting offer for CFI's Business. Information regarding the SISP can be obtained visiting the Monitor's website: www.GrantThornton.ca/CFI or by contacting Jason Kanji of the Monitor's office at (416) 777-6136 or Jason.Kanji@ca.gt.com.

Please note that the non-binding Letter of Intent is due no later than at 5:00 PM Newfoundland Standard Time on April 17, 2022.

Grant Thornton

NOTICE

As previously declared on March 24, 2022, Terra Firma Capital Corporation (TSX-V: TII) will be paying a cash dividend of $0.06 per common share on April 15, 2022, to shareholders of record as of the close of business on March 31, 2022.

RUSSIA EARNS US$1 BILLION A DAY FROM ITS ENERGY EXPORTS AND THIS KEEPS ITS BLOODY REGIME AFLOAT. IF THE INTERNATIONAL COMMUNITY WANTS TO IMPOSE CRUSHING SANCTIONS ON RUSSIA, THIS MUST INCLUDE A FULL EMBARGO OF RUSSIAN GAS, OIL, AND COAL. — YURIY VITRENKO

UKRAINE UNDER ATTACK

'Every night is a nightmare'

ONE-ON-ONE WITH UKRAINE'S GAS CHIEF

DIANE FRANCIS
Comment

EFREM LUKATSKY / THE ASSOCIATED PRESS FILES

Countries must step up financial sanctions against Russia because the ones in place now don't go far enough, says Yuriy Vitrenko, a member of Ukrainian President Volodymyr Zelenskyy's inner circle.

I've worked with Yuriy Vitrenko, trying to get sanctions against Russia's pipeline to Germany for years without success. He is a member of Ukrainian President Volodymyr Zelenskyy's inner circle, and chairman of Ukraine's gigantic energy conglomerate Naftogaz, which is the country's largest corporation. He agreed to a wide-ranging interview from Kyiv via Zoom on the weekend to talk about the war, Vladimir Putin's mentality, upcoming negotiations and what more the West can do to help Ukraine.

Vitrenko travels these days with a large security contingent and moves constantly around the country because of his company's far-flung operations. "Today in the morning I was in the Kyiv city centre to meet with aides to the president. Then I will travel to Western Ukraine where we have many sites and where (U.S. President Joe) Biden is 50 kilometres away (in Poland). Yes, we have security precautions but we're not afraid," he said. "But every night is a nightmare. Every night you are under constant risk."

For weeks, Russia has bombed Naftogaz infrastructure that serves Ukrainians, but has carefully avoided damaging the portion of the Naftogaz-owned pipeline system that delivers Russian natural gas to Europe. Vitrenko said, however, that while Ukraine is committed to continuing to provide natural gas transit services for Russia, it would be ready to lose transit revenues in order to stop the war. This is why he is disappointed that Russia's biggest EU customers have said they are not yet ready to stop buying oil and gas from the Kremlin.

"Russia earns US$1 billion a day from its energy exports and this keeps its bloody regime afloat," he said. "If the international community wants to impose crushing sanctions on Russia, this must include a full embargo of Russian gas, oil, and coal exports."

Vitrenko added that countries with large reserves of oil and gas, such as Canada and Norway, must join the U.S., which is committed to expanded oil production and more pipelines at home in order to replace Russian energy by shipping more oil and liquefied natural gas to Europe. Ottawa stopped all oil imports from Russia and has just agreed to increase oil production by 200,000 barrels a day. But much more can be done and should be.

"Canada and others should produce as much gas and oil as they can to increase exports to Europe, and Europe should also transition more quickly to renewables," Vitrenko said. "The free world cannot depend on rogue regimes for its energy needs. It was suicidal of Germany to shut down its nuclear and coal plants in order to rely more and more on Russia."

In addition, countries must step up financial sanctions because the current ones don't go far enough, the Naftogaz chairman said. Only 30 per cent of Russia's banks are blocked from using the SWIFT transfer system and restrictions must shut down Russia's entire financial system, he said. And NATO must provide more weapons to help Ukraine defend itself and close its skies to missiles and bombing attacks — which will fortify its negotiating position in talks that are to resume this week in Turkey, he said.

The European Union has agreed to phase out Russian energy imports, but this will take years. In the meantime, Vitrenko is urging countries to cut down on consumption by imposing such energy conservation measures as restrictions on car usage, speed limits, incentivizing permanent remote work, lowering thermostats, and rationing industrial power.

"If the EU is not ready, then a mechanism of escrow accounts must be put in place so that gas and oil can still flow to Europe from Russia but Putin cannot get the money. The money would be held until Russia withdraws its military from Ukraine. This is a mechanism used in Iran," he said.

Vitrenko remains optimistic. "I believe that Ukraine will win. It won't be in a straightforward way: Putin's regime will lose. History shows that when a populist autocrat chooses to play this "Nazi" card, it's not sustainable. And the Russian military is so rotten with corruption that their tanks, equipment, food, everything is substandard. Corruption helps us a lot."

In the current context, and based on his experience with Putin, Vitrenko sketched out what must happen to end the war. "We need to be stronger militarily and be able to say to him, 'you cannot win in Ukraine.' We must be able to say that with sanctions, 'Russia will lose money every day and it will lead to the collapse of your regime.' He doesn't care about his economy or about ordinary Russians but he cares about his regime. In addition, he must also feel he can no longer project supremacy and have prestige on the global scene. That's why it's important to block Russia from all global sports, culture events and institutions" as well as remove it from the G20 and the United Nations Security Council.

Continued military support from NATO is essential to continuing Ukraine's success on the ground, Vitrenko said. He also believes that Putin will make a deal, and speaks from experience. Vitrenko successfully negotiated a $3-billion settlement one-on-one with Putin concerning a gas dispute at the Normandy Format summit in Paris in 2019.

"I must say that he didn't look like he was crazy. He looked like a person with very different values. When you deal with normal businessmen, the principle of reciprocity is important — seeking a win-win solution and finding a common ground. But when you negotiate with Putin it's all about your relative strengths. He's threatening you and you have to threaten him or say you are not afraid."

Vitrenko certainly warned the West about what could happen, thanks to Russia's huge energy export income and ambitions. "I'm angry that Germany and other countries, the whole world, did not do enough in 2014 when Putin first invaded Ukraine. Should the sanctions now imposed have been imposed then, we would not have all this horror at the moment."

Financial Post

Read and sign up for Diane Francis' newsletter on geopolitics at dianefrancis.substack.com

JUSTICE

RNC officer guilty of firearm offence after pointing taser at colleagues

Const. Bernard Morgan given conditional discharge and 50 hours of community service

TARA BRADBURY
JUSTICE REPORTER
tara.bradbury@thetelegram.com
@tara_bradbury

A Royal Newfoundland Constabulary officer who turned on his taser and pointed it at his colleagues as he was telling them a story about a recent call was sentenced in provincial court Monday, March 28, for carelessly using a firearm.

Accepting a joint submission from Crown and defence, Judge David Orr gave Const. Bernard Morgan a 12-month probation period and a conditional discharge for the criminal offence and ordered him to complete 50 hours of community service.

A conditional discharge means Morgan will not have a criminal record three years after the successful completion of his probation.

Morgan had completed a call for service and stopped into the telephone reporting centre at RNC headquarters in St. John's to speak with a colleague late in the morning on March 2, 2021, according to an agreed statement of facts.

Sitting in a chair and with five other officers present, Morgan had recounted the incident and described how he had drawn his taser in preparation to use it before the subject of the call complied with his demands.

As Morgan told the story, he drew the taser and turned it on, pointing it in the direction of three colleagues. One of them told Morgan his actions could be criminal and he subsequently holstered the weapon.

The incident was reported to the RNC's professional standards section and the province's Serious Incident Response Team (SIRT-NL) was engaged to investigate, and later charged Morgan. The taser is a prohibited firearm as defined by the Criminal Code of Canada.

Surveillance footage captured Morgan with the taser in his hand, and data downloaded from the device indicated it had been turned on for 10 seconds.

The officers Morgan had pointed the taser at told investigators they believed he had no intention of discharging it. One described being blinded by the light of the laser; another said Morgan had responded to the suggestion that his actions could be considered criminal with, "That's OK, we're all friends here."

Morgan acknowledged his bad judgment to investigators and said his taser's red light dot had been visible on his colleagues as he told them, "You see how that dot makes them co-operate."

He said he had not intended to deploy the device, hadn't perceived the activation of the laser as an application of force, and had put it away when told of the potential criminal implications.

Royal Newfoundland Constabulary officer Const. Bernard Morgan. FILE PHOTO

> **"It's difficult to fathom any circumstance where one, much less multiple police officers observing a lay-person brandishing a firearm would simply direct the individual to put the firearm away on the suggestion that there could be potential criminal liability and allow that person to carry on."**
> Prosecutor Brandon Gillespie

PUBLIC EXPECTATIONS

"The public expects that a police officer who is entrusted with potentially dangerous and deadly firearms, weapons or devices will conduct themselves with the highest standards of safety while in care and control of these devices," prosecutor Brandon Gillespie told the court.

Further, Gillespie submitted, the public expects police officers will be subject to the same consequences as civilians for breaking the law — heavier ones when they commit criminal offences, given their privilege, power and training.

Though Morgan had been quick to admit his actions, Gillespie said one might wonder why he never thought it was inappropriate to activate his taser and point it at others to illustrate a story.

"It's important to note this situation likely would have unfolded much differently had the individual who pointed the (taser) not been a police officer," Gillespie said.

"It's difficult to fathom any circumstance where one, much less multiple police officers observing a lay-person brandishing a firearm would simply direct the individual to put the firearm away on the suggestion that there could be potential criminal liability and allow that person to carry on."

Gillespie presented the court with a November 2021 decision from the RNC's Public Complaints Commission, which determined Morgan had used excessive force during an unrelated incident involving the arrest of a father and son in 2017. The commission hasn't yet ruled on a penalty, Gillespie said.

Defence lawyer Randy Piercey submitted letters of support for Morgan from two colleagues and a Crown attorney, as well as a letter of apology from Morgan to the RNC chief and affected officers.

Morgan has already been internally disciplined, Piercey said.

Since Morgan had admitted wrongdoing, the RNC was able to proceed with that process instead of waiting for the court outcome, he said.

"It was a stupid act that ended very, very quickly," Piercey said in his brief submissions.

"I do accept that there has to be some consequence to him for this because it was a stupid thing to do, but he wasn't being evil, he was being careless."

Morgan, who had been placed on administrative duty as a result of the incident, is now stationed in Labrador, from where he appeared in court by video Monday.

The RNC has not yet responded to a request from The Telegram for comment.

Residents unaware of their options: pharmacist

FROM A1: GROUP

Pharmacist Kara O'Keefe has a good handle on the health-care situation on Bell Island.

It was her Facebook post in August 2021 that tipped The Telegram to the fact the doctors were leaving.

"We have no family physicians who are working on Bell Island as of right now," O'Keefe confirmed Monday, March 28. "We have emergency room physicians who will come and answer 24-hour calls, but we do not have any family physicians."

The ER doctors are part of the St. John's hospitals, and only do one shift at a time.

There is, however, a nurse practitioner at the health centre who's been there for several years.

"She's doing her best to take on what she can, but of course that's an impossible feat for one person," said O'Keefe.

Patients can also opt for a virtual consult either by calling the health line, 811, or calling the health centre.

NOWHERE TO TURN

O'Keefe says a big problem is that many residents don't even realize what options are open to them.

"Patients are very frustrated because they feel that Eastern Health has not done a good enough job explaining to people how to go about getting care, and I would tend to agree with that," she said.

She and her staff can extend and even prescribe some medicines, but their scope is limited, and they spend a lot of time explaining where people can turn.

"I don't mind doing that. I'm a community pharmacist so it's my job to help people to find care and to provide them with information," she said.

"But at the end of the day, it's Eastern Health's responsibility and the provincial government's responsibility to inform people how they can go about getting care."

She feels particularly bad for seniors, many of whom don't want to impose on anyone.

"If nobody explicitly explains to them how they can go about getting care in a way they had normally done so, then they don't want to bother you," she says.

That means they could be going without important medications, such as blood pressure pills.

Craig says the rotating ER shifts are not a sufficient replacement for family doctors.

"We would feel more comfortable with a full-time doctor (to provide) continuity of service," he said.

As for Healthy Bell Island, Craig says the group will set up a Facebook page, and plans to send out a regular newsletter.

Pat Craig. CONTRIBUTED

Kara O'Keefe. CONTRIBUTED

> **"Patients are very frustrated because they feel that Eastern Health has not done a good enough job explaining to people how to go about getting care, and I would tend to agree with that."**
> Pharmacist Kara O'Keefe

Peter Jackson is a Local Journalism Initiative reporter covering health for The Telegram.

In brief

Two overdue long-term care homes set to open

Two overdue long-term care homes are opening in central Newfoundland after nearly a year of delays to address thousands of deficiencies discovered with the buildings last year.

In a March 28 news release, the province announced that construction has finished on the two long-delayed homes, in Gander and Grand-Falls-Windsor, and residents are expected to move in next month.

The facilities were originally scheduled to open last May, but the projects were delayed after a lengthy list of deficiencies, including some that could have presented serious health and safety risks to residents, were found with the buildings.

In early March, the province announced the problems had been addressed, and the cost for the additional work was covered under the existing contract with N.L. Healthcare Partners.

Appendix "H"

Sale of Canada Fluorspar Inc. media notice

Grant Thornton

NEWS PROVIDED BY

Grant Thornton LLP →

Apr 11, 2022, 16:00 ET

SAINT LAWRENCE, NF, April 11, 2022 /CNW/ - The Supreme Court of Newfoundland and Labrador (the "Court") granted an initial order (the "Initial Order") pursuant to the Companies Creditors Arrangement Act (the "CCAA") over Canada Fluorspar (NL) Inc. (CFI), Canada Fluorspar Inc., and Newspar (a General Partnership) (together, the "Companies") on March 11, 2022. Grant Thornton Limited was appointed monitor of the Companies (the "Monitor").

On March 18, 2022, the Initial Order was amended and restated by the Court. Furthermore, at said hearing, the Court granted an order (the "Bidding Procedures Order"), authorizing the Companies to undertake a sale and investment solicitation process ("SISP") for the sale of CFI's business, property, assets and undertakings (collectively, the "Business").

Grant Thornton Limited, in its capacity as Monitor, is hereby soliciting offers for CFI's Business. Information regarding the SISP can be obtained by visiting the Monitor's website: www.GrantThornton.ca/CFI or by contacting Jason Kanji of the Monitor's office at (416) 777-6136 or Jason.Kanji@ca.gt.com.

Please note that the non-binding Letter of Intent is due no later than at 5:00 PM Newfoundland Standard Time on April 17, 2022.

About Grant Thornton Limited

Grant Thornton Limited, Licensed Insolvency Trustees, is one of the largest bankruptcy, insolvency, and restructuring service firms in Canada. The debt professionals at Grant Thornton are passionate about making a difference for their clients, colleagues, and communities. Grant Thornton Limited is a Canadian member of Grant Thornton International Ltd. We have offices conveniently located across Canada, and offer a full range of debt help services for the audit, tax and advisory firm, Grant Thornton LLP.

About Grant Thornton LLP

Grant Thornton LLP is a leading Canadian accounting and advisory firm providing accounting, audit, tax and advisory services to private and public organizations. We help dynamic organizations unlock their potential for growth by providing meaningful, actionable advice through a broad range of services. Grant Thornton LLP is a Canadian member of Grant Thornton International Ltd, whose member and correspondent firms operate in over 130 countries worldwide. A listing of Grant Thornton offices and contact information can be found at: www.GrantThornton.ca.

SOURCE Grant Thornton LLP

For further information: Grant Thornton LLP, Lindsay Barnes, Senior Manager, Media Relations, T +1 905 999 6448, E Lindsay.Barnes@ca.gt.com

Appendix "I"

MCINNES COOPER

Geoffrey Spencer
Direct +1 (709) 724 5675
geoffrey.spencer@mcinnescooper.com

5th Floor
10 Fort William Place
PO Box 5939
St. John's NL
Canada A1C 5X4
Tel +1 (709) 722 8735 | Fax +1 (709) 722 1763

Our File: 207444

May 12, 2022

Via email and mail

To whom it may concern:

Dear Sir/Madam:

RE: 2022 01G 0709
Canada Fluorspar (NL) Inc., Canada Fluorspar Inc., and Newspar (a General Partnership) (collectively, the "Companies")
Our Client: Grant Thornton Limited, Court-Appointed Monitor of the Companies

With respect to the above-noted matter, please find enclosed Notice of Phase 2 Bid Deadline Extension from Grant Thornton.

If you have any questions or would like to discuss, feel free to contact Mr. Jason Kanji at (416) 777-6136 (Jason.Kanji@ca.gt.com) or Mr. Phil Clarke, at (902) 420-7191 (Phil.Clarke@ca.gt.com).

Yours truly,

Geoffrey Spencer
Office Lead Partner

GS/tly
Encl.

Grant Thornton

May 11, 2022

NEWFOUNDLAND AND LABRADOR
SUPREME COURT
(BANKRUPTCY AND INSOLVENCY)

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

AND IN THE MATTER OF THE COMPROMISE OR ARRANGEMENT OF CANADA FLUORSPAR (NL) INC., CANADA FLUORSPAR INC. AND NEWSPAR (a General Partnership) (collectively, ("CFI" or the "Companies")

PHASE 2 BID DEADLINE EXTENSTION

TAKE NOTICE that regarding the Sales Investment Solicitation Process ("**SISP**") for CFI the Monitor has extended the Phase 2 Bid Deadline to submit binding bids to **5:00 PM Newfoundland Standard Time on June 17, 2022.**

No other changes to the SISP are being made at this time. The Monitor is having ongoing discussions with the various stakeholders regarding a further extension of the Phase 2 Bid Deadline however, such extension would be subject to Court approval.

The Monitor will advise if further extensions are approved.

If you have any questions or would like to discuss your intended binding offer, please feel free to contact Mr. Jason Kanji at 416-777-6136 (Jason.Kanji@ca.gt.com) or Mr. Phil Clarke, at (902) 420-7191 (Phil.Clarke@ca.gt.com).

Regards,

Grant Thornton Limited in its capacity as Monitor of
Canada Fluorspar Inc., Canada Fluorspar (NL) Inc, and Newspar.

Phil Clarke, CPA, CA, CIRP, LIT
Senior Vice President

Note capitalized terms within this document that are not defined herein maintain their meaning as defined in the Procedures for the Sale and Investment Solicitation Process available on the Monitor's case website www.GrantThornton.ca/CFI.

Appendix “J”

Court File T- 897-22

FEDERAL COURT

Admiralty Action *in rem* and *in personam*

BETWEEN:

FARRELL'S EXCAVATING LTD.,
a body corporate

FIRST PLAINTIFF

- and-

FARRELL'S FUELS LTD.,
a body corporate

SECOND PLAINTIFF

-and-

THE SHIP "JANET C", and
THE OWNERS and all others interested in the Ship "Janet C", and
THE CARGO on board the Ship **"Janet C"** and all others interested in the Cargo on board the Ship "Janet C", and
CANADA FLOURSPAR NL INC., a body corporate.

DEFENDANTS

WARRANT

TO: Any Sheriff in Canada

YOU ARE DIRECTED to arrest the M/V "Janet C" and the Cargo of fluorspar and fluorspar concentrate on board or alongside the Ship "Janet C" and to keep the same under arrest until further order of this Court.

DATED at Halifax, Province of Nova Scotia, this 2nd day of May, 2022.

Issued by: FRANK FEDORAK
REGISTRY OFFICER
AGENT DU GREFFE

Address of Local Office: Pacific Centre
P.O. Box 10065
701 West Georgia Street
Vancouver, British Columbia

THIS WARRANT was issued at the request of, and inquiries can be directed to:

Eric Machum
Metcalf & Company
Suite 700, 5121 Sackville St.
Halifax, NS B3J 1K1
Tel: (902) 420-1990
E-mail: *ericmachum@metcalf.ns.ca*
Co-counsel for the Plaintiffs

and

Robert R Regular
Robert R Regular PLC Inc.
Email: rregular@robertregularlaw.com
Co-counsel for the Plaintiffs

I HEREBY CERTIFY that the above document is a true copy of the original *filed in* the Court on 2 May 2022

Dated 2 May 2022

Frank Fedorak

Court File T- 891-22

FEDERAL COURT

Admiralty Action *in rem* and *in personam*

BETWEEN:

FARRELL'S EXCAVATING LTD.,
a body corporate

FIRST PLAINTIFF

- and-

FARRELL'S FUELS LTD.,
A body corporate

SECOND PLAINTIFF

-and-

THE SHIP "JANET C", and
THE OWNERS and all others interested in the Ship "**Janet C**", and
THE CARGO on board the Ship "**Janet C**" and all others interested in the Cargo on board the Ship "**Janet C**", and
CANADA FLUORSPAR NL INC., a body corporate.

DEFENDANTS

AFFIDAVIT TO LEAD WARRANT

I, Eric Machum of Halifax, Nova Scotia, make oath and say as follows:

1. I am solicitor for the Plaintiffs, Farrell's Excavating Ltd. and Farrell's Fuels Ltd. in this proceeding and have personal knowledge of the matters herein deposed to except where the same are stated to be based upon information and belief.

2. The applicant for the Warrant is the First Plaintiff, a body corporate incorporated under the laws of Newfoundland and Labrador with its registered address at 2700 TCH, St. John's, NL, Canada A1B 3M7.

3. I am advised by Samantha Dwyer, Office Manager, of the First Plaintiff, and do verily believe that:

(a) The Ship, "Janet C" (the "**Ship**"), is a general cargo ship registered in the registry of United Kingdom with IMO Number 9430129, 138.06 m. length overall, 9,530 gross tonnage, steel construction, and with port of registry Cowes. A true copy of the IMO GISIS entry for the Ship, is attached hereto as **Exhibit "A"**.

(b) The Defendant Cargo is approximately 8,845 wet metric tonnes of fluorspar and fluorspar concentrate (the "**Cargo**") partially loaded onto the Ship, and the remainder of which is quayside to be loaded onto the Ship.

(c) The Defendant CSMTJanet Shipping Ltd. is a body corporate incorporated under the laws of Malta and is understood to be the registered owner of the Ship.

(d) Canada Fluorspar NL Inc. is a body corporate incorporated under the laws of Newfoundland and Labrador with its registered address at Clarks Pond Road, St. Lawrence, NL, Canada ("**CFI**") and CFI is understood to be the charterer of the Ship and owner of the Cargo.

(e) On or about April 29, 2022, the Ship called at Marystown, Canada to load the Cargo. The Defendants contracted the Farrell's Excavating Ltd. to provide loading and stevedoring services and ancillary services and equipment required to load the Cargo on the Ship. Farrell's Excavating Ltd. duly provided equipment and personnel to load the Cargo onto the Ship and loaded 6,200tons thereof. A true copy of Farrell's Excavating Ltd. Invoice No. 56461 ins the amount of CAD $145,492.25 for services to date to the Ship and its Cargo is attached hereto as **Exhibit "B"**.

(f) Farrell's Excavating Ltd. also claims against the Defendants the sum of CAD $756,273.86 owing to it pursuant to the following invoices issued by Farrell's Excavating Ltd. to CFI:

Invoice No.	**Invoice Date**	**Description**	**Amount**
54830	10-26-2021	Loader transport; pilot car supply	$8,240.44
55099	11-10-2021	Dozer transport	$1,267.76
55516	12-01-2021	Loader transport	$1,267.76
55515	12-01-2021	Loader transport; pilot car supply	$8,240.44
55435	12-08-2021	Services provided to the cargo and the vessel *M/V Ever Comfort*...; wait time during the loading ...	$352,162.21

55696	12-31-2021	Dozer transports	$5,704.92
55678	01-05-2022	Services provided to the cargo and the vessel *M/V Edenborg*…; wait time during the loading …	$248,755.93
55731	01-10-2022	Interest due on overdue acct	$15,311.40
55827	01-26-2022	Interest due on overdue acct	$30,622.80
55925	02-07-2022	Interest due on overdue acct	$10,815.48
55947	02-11-2022	Interest due on overdue acct	$30,622.80
56007	02-22-2022	Interest due on overdue acct	$21,630.96
56090	03-08-2022	Interest due on overdue acct	$21,630.96
		Total:	**$756,273.86**

(g) Farrell's Fuels Ltd. claims against the Defendants the sum of CAD $3,580.12 owing to it pursuant to the following invoices issued by Farrell's Fuels Ltd:

Invoice No.	**Invoice Date**	**Description**	**Amount**
830	10-14-2021	Fuel purchase	$1,350.90
834	11-20-2021	Fuel purchase	$1,432.95
842	12-21-2021	Fuel purchase	$468.08
851	03-01-2022	Fuel purchase	$328.19
		Total:	**$3,580.12**

(h) All services described in the Plaintiffs' invoices were duly performed to the satisfaction of the relevant parties.

(i) Despite repeated demands, the above amounts remain due and owing by the relevant defendants.

(j) Additional services are expected to be provided to the Defendants, and amounts will become due and owing to the Plaintiffs prior the Ship's departure from Marystown.

4. The Defendant Ship and Cargo are berthed at Marystown, Newfoundland & Labrador.

5. The Plaintiffs rely on Canadian maritime law, including, without limitation sections 22(1) and 22(2)(m) of the *Federal Courts Act*, R.S.C., 1985, c. F-7 and section 139 of the *Marine Liability Act*, S.C. 2001, c. 6 and the First Plaintiffs states that it has a statutory right *in rem* against the Defendant Ship and its Cargo.

6. The Plaintiffs' said claims have not been satisfied.

7. The property to be arrested is the Ship and Cargo on board the Ship currently located at Marystown, Newfoundland & Labrador.

8. The Plaintiffs request and seeks the assistance of this Honourable Court in enforcing their claims.

SWORN TO at Halifax, in the Halifax Regional Municipality, Province of Nova Scotia, this 2nd day of May, 2022, before me:	)))))	
A Barrister of the Supreme Court of Nova Scotia	))))	Eric Machum

Federal Court No.
This is Exhibit "A" referred to in the
Affidavit of Eric Machum, sworn before me
this 2nd day of May, 2022.

Nathan Stanley
A Barrister & Solicitor in and for the Province
of Nova Scotia

IMO GISIS: Ship and Company Particulars

Feedback | Log out

Public User: ermachum

Public Area > Ship and Company Particulars > Ship details

Updated: 2022-04-25

Ship Particulars / IMO 9430129
JANET C

Name:	JANET C
IMO Number:	IMO 9430129
Flag:	United Kingdom
Call sign:	2BZI7
MMSI:	235070715
Ship UN Sanction:	Not on list
Owning/operating entity under UN Sanction:	Not on list

Characteristics

Type:	General Cargo Ship *(effective 2009-06)*
Date of build:	2009-06
Gross tonnage:	9,530

Companies

Registered owner:	CSMTJanet Shipping Ltd *(effective 2019-03-20)*	
	IMO Company Number	6087831
	Nationality of registration	Malta
	Address	Care of SMT Shipping (Cyprus) Ltd , 33, Michalis Zavos Street, Agios Athanasios, 4107 Limassol, Cyprus
	Company status	Active

Information on ship and company particulars is made available under the terms of the Shipping Information Agreement between IHS Maritime and the IMO Secretariat.

Notes on nomenclature

Federal Court No.

This is Exhibit "B" referred to in the Affidavit of Eric Machum, sworn before me this 2nd day of May, 2022.

Nathan Stanley
A Barrister & Solicitor in and for the Province of Nova Scotia

Farrell's Excavating Limited

2700 Trans Canada Highway
P.O. Box 909
Mount Pearl, NL A1N 3C8
CA

INVOICE

Invoice No.: 56461
Date: 05/02/2022
Ship Date:
Page: 1
Re: Order No.

Sold to:

Canada Fluorspar NL Inc.
P.O. Box 337
1 Clarke's Pond Road
St. Lawrence, NL A0E 2V0

Ship to:

Canada Fluorspar NL Inc.
P.O. Box 337
1 Clarke's Pond Road
St. Lawrence, NL A0E 2V0

Business No.: 131333007RT0001

Quantity	Unit	Description	Tax	Unit Price	Amount
6,200	Ton	Services provided to the cargo and the vessel MV Janet C, including the cargo loaded onto the vessel from April 28th, 2022 to today and the cargo that will be loaded until final survey	H	19.00	117,800.00
83	Hours	Wait Time	H	105.00	8,715.00
		H - HST 15%			
		GST/HST			18,977.25

Shipped By: Tracking Number:	Total Amount: 145,492.25
Comment: Interest of 2% monthly on accounts overdue by 30 days.	Amount Paid: 0.00
Sold By:	Amount Owing: 145,492.25

Court File T- 891-22

FEDERAL COURT

Admiralty Action *in rem* and *in personam*

BETWEEN:

FARRELL'S EXCAVATING LTD.,
a body corporate

FIRST PLAINTIFF

- and-

FARRELL'S FUELS LTD.,
a body corporate

SECOND PLAINTIFF

-and-

THE SHIP "JANET C", and
THE OWNERS and all others interested in the Ship "Janet C", and
THE CARGO on board the Ship "**Janet C**" and all others interested in the Cargo on board the Ship "Janet C", and
CANADA FLOURSPAR NL INC., a body corporate.

DEFENDANTS

STATEMENT OF CLAIM

TO THE DEFENDANTS:

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the Plaintiff. The claim made against you is set out in the following pages.

IF YOU WISH TO DEFEND THESE PROCEEDINGS, you or a solicitor acting for you are required to prepare a Statement of Defence in Form 171B prescribed by the *Federal Court Rules, 1998*, serve it on the Plaintiff's solicitor or, where the Plaintiff does not have a solicitor, serve it on the Plaintiff, and file it, with proof of service, at a local office of this Court, WITHIN THIRTY DAYS after this Statement of Claim is served on you, if you are served within Canada;

If you are served in the United States of America, the period of serving and filing your Statement of Defence is forty days. If you are served outside Canada and the United States of America, the period for filing and serving your Statement of Defence is sixty days.

Copies of the *Federal Court Rules, 1998*, information concerning the local offices of the Court and other necessary information may be obtained on request to the Administrator of this Court Ottawa (telephone (613) 992-4238) or at any local office thereof.

IF YOU FAIL TO DEFEND THIS PROCEEDING, judgment may be given against you in your absence and without further notice to you.

DATED at Halifax, Nova Scotia, this 2nd day of May, 202.

ORIGINAL SIGNED BY
FRANK FEDORAK
A SIGNÉ L'ORIGINAL

Issued by: ______________________________

Address of Local Office: 1801 Hollis Street
Halifax, NS B3J 3N4

TO: **THE SHIP "JANET C"**, and
THE OWNERS and all others interested in the Ship "Janet C", and
THE CARGO on board the Ship "**Janet C**" and all others interested in the Cargo on board the Ship "Janet C", and
CANADA FLOURSPAR NL INC., a body corporate.

DEFENDANTS

I HEREBY CERTIFY that the above document is a true copy of the original issued out of / filed in the Court on the ______ day of MAY - 2 2022 A.D. 20____

Dated this ______ day of MAY - 2 2022 20____

FRANK FEDORAK
REGISTRY OFFICER
AGENT DU GREFFE

CLAIM

1. The Plaintiffs claim:

   (a) Judgment in favour of Farrell's Excavating Ltd. against the Defendants in the amount of CAD $145,492.25 representing fees for transportation, stevedoring, loading and ancillary services provided to the M/V "Janet C" (the "**Ship**") and its cargo of fluorspar (the "**Cargo**");

   (b) Judgment in favour of Farrell's Excavating Ltd. against Canada Fluorspar Inc. ("**CFI**") in the amount of CAD $756,273.86 representing fees for services provided to CFI, its chartered vessels and marine cargo of fluorspar;

   (c) Judgment in favour of Farrell's Fuels Ltd. against CFI in the amount of CAD $3,580.12 representing fees for services provided to the CFI and its chartered vessels and marine cargo;

   (d) All costs of this action;

   (e) Interest on all overdue amounts;

   (f) In default of payment, an Order for the Cargo on board the Ship to be appraised and sold; and

   (g) Such further and other relief as the nature of the case may require and as this Honourable Court may deem just and proper.

2. The First Plaintiff, Farrell's Excavating Ltd., is a body corporate incorporated under the laws of Newfoundland and Labrador with its registered address at 2700 TCH, St. John's, NL, Canada A1B 3M7. Farrell's Excavating is a contractor providing *inter alia* transportation and stevedoring services to clients in the marine industry.

3. The Second Plaintiff, Farrell's Fuels Ltd., is a body corporate incorporated under the laws of Newfoundland and Labrador with its registered address at 2700 TCH, St. John's, NL, Canada A1B 3M7. Farrell's Fuels is a contractor providing *inter alia* fueling and necessaries services to clients in the marine industry.

4. The Ship, "Janet C" (the "**Ship**"), is a general cargo ship registered in the registry of United Kingdom with IMO Number 9430129 138.06 m. length overall, 9,530 gross tonnage, steel construction, with port of registry Cowes.

5. The Defendant Cargo is approximately 8,845 wet metric tonnes of fluorspar and/or fluorspar concentrate (the "**Cargo**") approximately 6,200 tons of which has been loaded onto the Ship, and the remainder of which is quayside to be loaded onto the Ship.

6. The Defendant Canada Fluorspar NL Inc., is a body corporate incorporated under the laws of Newfoundland and Labrador, Canada, with its registered address at Clarks Pond Road, St. Lawrence, NL, Canada ("**CFI**").

7. The Defendant CSMTJanet Shipping Ltd. is a body corporate incorporated under the laws of Malta and is understood to be the registered owner of the Ship.

8. CFI is and at all material times has been the charterer of the Ship and owner of the Cargo.

9. On or about April 29, 2022, the Ship called at Marystown, Canada to load the Cargo. The Defendant contracted the Farrell's Excavating Ltd. to provide loading, stevedoring and ancillary services and equipment required to load the Cargo onto the Vessel. To date, Farrell's Excavating Ltd. has provided services valued at $145,492.25 in connection with the loading and stevedoring for 6,200 tons of Cargo.

10. Farrell's Excavating Ltd. also claims against the Defendant CFI the sum of CAD $756,273.86 owing to it pursuant to the following invoices issued by the Plaintiff:

Invoice No.	**Invoice Date**	**Description**	**Amount**
54830	10-26-2021	Loader transport; pilot car supply	$8,240.44
55099	11-10-2021	Dozer transport	$1,267.76
55516	12-01-2021	Loader transport	$1,267.76
55515	12-01-2021	Loader transport; pilot car supply	$8,240.44
55435	12-08-2021	Services provided to the cargo and the vessel *M/V Ever Comfort*…; wait time during the loading …	$352,162.21
55696	12-31-2021	Dozer transports	$5,704.92
55678	01-05-2022	Services provided to the cargo and the vessel *M/V Edenborg*…; wait time during the loading …	$248,755.93
55731	01-10-2022	Interest due on overdue acct	$15,311.40
55827	01-26-2022	Interest due on overdue acct	$30,622.80
55925	02-07-2022	Interest due on overdue acct	$10,815.48

55947	02-11-2022	Interest due on overdue acct	$30,622.80
56007	02-22-2022	Interest due on overdue acct	$21,630.96
56090	03-08-2022	Interest due on overdue acct	$21,630.96
		Total:	**$756,273.86**

11. Farrell's Fuels Ltd. claims against the defendant CFI the sum of CAD $3,580.12 owing to it pursuant to the following invoices issued by Farrell's Fuels Ltd:

Invoice No.	Invoice Date	Description	Amount
830	10-14-2021	Fuel purchase	$1,350.90
834	11-20-2021	Fuel purchase	$1,432.95
842	12-21-2021	Fuel purchase	$468.08
851	03-01-2022	Fuel purchase	$328.19
		Total:	**$3,580.12**

12. All services described in the Plaintiffs' invoices were duly performed to the satisfaction of CFI.

13. Despite repeated demands, the Defendants have not paid the entirety of the above specified amounts to the Plaintiffs.

14. Additional services are currently being provided and are expected to be further provided to the Ship and its Cargo, and amounts will become due and owing to the Plaintiffs, prior the Vessel's departure from Marystown, Newfoundland. Such amounts will be advised by the Plaintiffs prior to trial.

15. The Defendant Ship and Cargo are berthed at Marystown, Newfoundland.

16. The Defendants are jointly and severally liable to Farrell's Excavating Ltd. for the amounts claimed under paragraph 9 hereof.

17. In the alternative, in the event that the Defendants are not liable for all or part of Farrell's Excavating Ltd.'s claim, Farrell's Excavating Ltd. asserts the entirety of its claim against the Cargo.

18. The Plaintiffs rely on Canadian maritime law, including, without limitation sections 22(1) and 22(2)(m) of the *Federal Courts Act*, R.S.C., 1985, c. F-7 and section 139 of the *Marine Liability Act*, S.C. 2001, c. 6, and the Plaintiff Farrell's Excavating Ltd. states that it has a statutory right *in rem* against the Defendant Ship and Cargo.

DATED at Halifax, Nova Scotia, this 2nd day of May, 2022.

Eric Machum
METCALF & COMPANY
Suite 700, Sovereign Place
5121 Sackville St.
Halifax, NS B3J 1K1
Tel: (902) 420-1990
Fax: (902) 429-1171
E-mail: *ericmachum@metcalf.ns.ca*
Co-counsel for the Plaintiffs

and

Robert R Regular
Robert R Regular PLC Inc.
Email: rregular@robertregularlaw.com
Co-counsel for the Plaintiffs

Court File T- 891-22

FEDERAL COURT

Admiralty Action *in rem* and *in personam*

BETWEEN:

FARRELL'S EXCAVATING LTD.,
a body corporate

FIRST PLAINTIFF

- and-

FARRELL'S FUELS LTD.,
a body corporate

SECOND PLAINTIFF

-and-

THE SHIP "JANET C", and
THE OWNERS and all others interested in the Ship "Janet C", and
THE CARGO on board the Ship **"Janet C"** and all others interested in the Cargo on board the Ship "Janet C", and
CANADA FLOURSPAR NL INC., a body corporate.

DEFENDANTS

WARRANT

TO: Any Sheriff in Canada

YOU ARE DIRECTED to arrest the M/V "Janet C" and the Cargo of fluorspar and fluorspar concentrate on board or alongside the Ship "Janet C" and to keep the same under arrest until further order of this Court.

DATED at Halifax, Province of Nova Scotia, this 2nd day of May, 2022.

Issued by: ORIGINAL SIGNED BY
FRANK FEDORAK
A SIGNÉ L'ORIGINAL

Address of Local Office: Pacific Centre
P.O. Box 10065
701 West Georgia Street
Vancouver, British Columbia

THIS WARRANT was issued at the request of, and inquiries can be directed to:

Eric Machum
Metcalf & Company
Suite 700, 5121 Sackville St.
Halifax, NS B3J 1K1
Tel: (902) 420-1990
E-mail: *ericmachum@metcalf.ns.ca*
Co-counsel for the Plaintiffs

and

Robert R Regular
Robert R Regular PLC Inc.
Email: rregular@robertregularlaw.com
Co-counsel for the Plaintiffs

I HEREBY CERTIFY that the above document is a true copy of the original issued out of / filed in the Court on the ______

day of MAY - 2 2022 A.D. 20 ____

Dated this ____ day of MAY - 2 2022 20 ____

FRANK FEDORAK
REGISTRY OFFICER
AGENT DU GREFFE

Federal Courts Fees Receipt
Reçu pour frais judiciaires des cours fédérales

NO. A614864

Federal Court of Appeal / Cour d'appel fédérale ☐ Federal Court / Cour fédérale ☒ Court Martial Appeal Court of Canada / Cour d'appel de la cour martiale ☐

To / À :	Date : 2 May 2022
Name/Nom : Ella Machum	Issuing Office / Bureau émetteur : VAN
Organization/Organisation :	Prepared by / Préparé par : JG
Address/Adresse :	Court File No./ N° du dossier de la Cour : T-891-22

Style of Cause & Description of Services Provided Intitulé de la cause et description des services rendus	Cost(s) Frais
Fucelles v "Janet C" Statement of Claim Total =	$150.00

Method of Payment / Mode de paiement

☐ Account / Compte ☐ Cheque No. / N° chèque : ☐ American E

Dept# / # Département :

Org Code / Code org :

Reference Code / Code référe

☐ Cash / Comptant

☐ Debit Card / Carte de dé

COURTS ADMIN - VANCOUVER
701 WEST GEORGIA ST 3RD F
VANCOUVER BC

CARD ************2253
CARD TYPE VISA
DATE 2022/05/02
TIME 2561 14:08:39
INVOICE # 614864
RECEIPT NUMBER
M84141152-001-001-594-0

PURCHASE
TOTAL $150.00

PASSWORD USED
APPROVED 01-027
AUTH# 051933
THANK YOU

CARDHOLDER COPY

IMPORTANT - RETAIN THIS COPY FOR YOUR RECORDS

White - Original file - Ottawa
Blanche - Dossier original - Ottawa

Blue - Accounting - Ottawa
Bleue - Comptabilité - Ottawa

Goldenrod - Accounting 2nd copy. Local Office where costs retained by Province (Ottawa Statistics)

Or - Comptabilité 2e copie. Bureau local lorsque les frais sont retenus par la province (Statistiques Ottawa)

Pink - Party
Rose - Partie

Canary - Duplicate - Local office
Jaune - Duplicata - Bureau local

CAS/SATJ-26 (REV 2/11)

ID 5

Court File T-891-22

e-document

FILED	FEDERAL COURT COUR FÉDÉRALE 4 May 2022 Frank Fedorak	DÉPOSÉ
VAN	5	

FEDERAL COURT

Admiralty Action *in rem* and *in personam*

BETWEEN:

FARRELL'S EXCAVATING LTD.,
a body corporate

FIRST PLAINTIFF

\- and-

FARRELL'S FUELS LTD.,

a body corporate

SECOND PLAINTIFF

-and-

THE SHIP "JANET C", and
THE OWNERS and all others interested in the Ship "Janet C", and
THE CARGO on board the Ship **"Janet C"** and all others interested in the Cargo on board the Ship "Janet C", and
CANADA FLOURSPAR NL INC., a body corporate.

DEFENDANTS

RELEASE

TO the Sheriff for Marystown, Newfoundland & Labrador:

WHEREAS by warrant issued May 2, 2022 you were directed to arrest the ship "JANET C" and the cargo of fluorspar and fluorspar concentrate on board or alongside the Ship "JANET C" and to keep the same under arrest until further order of this Court,

YOU ARE NOW DIRECTED to release the said ship "JANET C" and the cargo of fluorspar and fluorspar concentrate on board or alongside the Ship "JANET C" from the arrest effected by virtue of that warrant.

DATED at Halifax, Province of Nova Scotia, this 4th day of May, 2022.

Issued by: ______________________

Frank Fedorak
a/Senior Registry Officer

Address of Local Office:	Pacific Centre P.O. Box 10065 701 West Georgia Street Vancouver, British Columbia

This release was issued at the request of, and inquiries may be directed to:

Eric Machum
Metcalf & Company
5121 Sackville Street, Suite 700
Sovereign Place
Halifax, NS B3J 1K1
Tel.: (902) 420-1990
Email: *ericmachum@metcalf.ns.ca*
Co-counsel for the Plaintiffs

and

Robert R Regular
Robert R Regular PLC Inc.
Email: rregular@robertregularlaw.com
Co-counsel for the Plaintiffs.

ID 4

Court File T-891-22

e-document
FEDERAL COURT
COUR FÉDÉRALE
FILED / DÉPOSÉ
4 May 2022
Frank Fedorak
VAN 4

FEDERAL COURT

Admiralty Action *in rem* and *in personam*

BETWEEN:

FARRELL'S EXCAVATING LTD.,
a body corporate

FIRST PLAINTIFF

- and-

FARRELL'S FUELS LTD.,
a body corporate

SECOND PLAINTIFF

-and-

THE SHIP "JANET C", and
THE OWNERS and all others interested in the Ship "Janet C", and
THE CARGO on board the Ship "Janet C" and all others interested in the Cargo on board the Ship "Janet C", and
CANADA FLOURSPAR NL INC., a body corporate.

DEFENDANTS

CONSENT TO RELEASE

I, Eric Machum, Solicitor for the Plaintiff herein, hereby consent to the release from arrest effected the 2nd day of May, 2022, pursuant to the Warrant issued the 2nd day of May, 2022 of the MV "JANET C" at Marystown, Newfoundland & Labrador, and the cargo of fluorspar and fluorspar concentrate on board or alongside the Ship "JANET C".

DATED at Halifax, Nova Scotia, this 4th day of May, 2022.

Eric Machum
METCALF & COMPANY
Suite 700, Sovereign Place
5121 Sackville St.
Halifax, NS B3J 1K1
Tel: (902) 420-1990
Fax: (902) 429-1171
E-mail: *ericmachum@metcalf.ns.ca*

Solicitor for the Plaintiff

Appendix “K”

Court File No. T- 279-22

FEDERAL COURT
COUR FÉDÉRALE
Copy of Document
Copie du document
Filed / Déposé
Received / Reçu
FEB 16 2022
Date
Registrar
Greffier

FEDERAL COURT
ADMIRALTY ACTION *IN REM* AND *IN PERSONAM*

BETWEEN:

INAMINKA MARINE SERVICES LIMITED, a body corporate

Plaintiff

AND:

CANADA FLUORSPAR (NL) INC., a body corporate

Defendant
(In Personam)

AND:

THE OWNERS AND ALL INTERESTED IN THE SHIP, "BARGE H-404"

Defendants
(In Rem)

AFFIDAVIT TO LEAD WARRANT

(RULE 481)

I, Richard A. Spellacy, of the City of St. John's, in the Province of Newfoundland and Labrador, being duly sworn, do depose and say that:

1. I am the sole shareholder and director, and the President of the Plaintiff, Inaminka Marine Services Limited, and, as such, I am aware of the matters relating to the arrest of the ship "BARGE H-404" (the "Barge"), except where stated to be based upon information and belief.

2. The Plaintiff provides consultation and other services in the marine industry in the Province of Newfoundland and Labrador (the "Province") and elsewhere.

3. The claim of the Plaintiff is for the recovery of money owed by the Defendants for the Plaintiff's consultation and design services, as will be further described below, relating to the protection of the Barge from damage caused by inclement weather. The claim is presently due and owing to the Plaintiff by the Defendants. Accordingly, this will invoke

DA

the *in rem* jurisdiction of the Federal Court pursuant to section 22(2) (m) and (n), and section 23 of the *Federal Courts Act*, R.S.C. 1985, c. F-7.

4. At all times material to this matter, Canada Fluorspar (NL) Inc. ("CFI") docked the Barge at its loading piers situate at its Blue Beach terminal (the "Terminal") at or near St. Lawrence, Burin Peninsula, in the Province. The Barge typically cannot be moved without the assistance of tugs. On the occasions of approaching inclement weather, CFI would be required to engage tugs to move the Barge from the Terminal to a safer and more protected location to avoid damage to the Barge from the inclement weather. It is my understanding from those I dealt with at CFI that engagement of tugs to move the Barge for this purpose was a great expense for CFI. Also, there were occasions when tugs were not immediately available, and the Barge would often sustain damage if left at the Terminal to ride out the inclement weather.

5. Therefore, in or about late summer or early fall of 2021 the Plaintiff was approached by CFI to provide a solution, through its consultation and design services, for the protection of the Barge from damage caused by inclement weather and without relying upon the tug service (the "Services").

6. On behalf of the Plaintiff, I completed a vendor registration with CFI on or about October 28, 2021 (the "Vendor Registration") wherein it was stated that the Plaintiff's terms for payment for its Services was 30 days of issuing its invoices (net 30 days). It was agreed to between the Plaintiff and CFI that the Plaintiff would provide the Services to CFI. Attached hereto as Exhibit "A" is a true copy of the Vendor Registration.

7. Through me, the Plaintiff provided the specific Services: consultation to CFI on the manner in which the Barge could be moved to safety from approaching inclement weather without the use of tugs; designed a system or process which would allow CFI to move the Barge on and off the loading piers; designed a set of storm moorings to facilitate the movement of the Barge on and off the loading piers; sourced all contractors for manufacturing the various components in the process of moving the Barge and for the installation of such components, respectively.

8. On or about November 5, 2021 the Plaintiff received from CFI one purchase requisition dated for November 5, 2021 in the amount of $90,000. Then on December 14, 2021, by which time the Plaintiff had delivered approximately 70% of the Services to the Defendants and most of the initial requisite amount for the Services had been used up, CFI provided the Plaintiff with two purchase orders of the same date. The Plaintiff states that the aggregate amount of the two purchase orders dated December 14, 2021 was approximately $143,000 plus tax. Contrary to the Plaintiff's terms, as noted above, the purchase orders stated that terms were 60 days net. Attached hereto as Exhibit "B" are true copies of the purchase orders.

9. The Services were completed and presented in its final form to CFI on or about January 20, 2022. The final budget was completed by the Plaintiff on January 30, 2022 and presented to CFI on the afternoon of January 31, 2022. Attached hereto as Exhibit "C" are true copies of the invoices issued by the Plaintiff to CFI for the Services rendered, which invoices total the sum of $146,870.02. I note that the invoices dated January 15, 2021 and February 1, 2021 should be January 15, 2022 and February 1, 2022, respectively.

10. The amount of $146,870.02, at the time of execution of this my Affidavit, remains owing by the Defendants to the Plaintiff, with interest accruing thereon as of today's date. In addition, expenses for legal fees have been incurred by the Plaintiff to proceed with this action plus additional expenses Which are expected for the issuance and service of the Statement of Claim and the Warrant for the arrest of the Barge. The Plaintiff's claim remains unsatisfied.

11. The nature of the property to be arrested is a ship, being a barge named H-404 and identified as CFI Pontoon 1. I am advised and do verily believe that the beneficial owner of the Barge is the Defendant Canada Fluorspar (NL) Inc. and that the Barge is currently tied up at the Marbase (the former Marystown Shipyard) in Marystown in the Province.

12. The Plaintiff's claim and action are to secure payment of the outstanding debt related to the Services it has provided to the Defendants for the benefit of protecting and preserving the Barge from damage resulting from inclement weather, which Services are described above in this my Affidavit.

13. All facts deposed above in this my Affidavit I believe to be true.

SWORN before me at the City of
St. John's, in the Province of
Newfoundland and Labrador,
this 15th day February, 2022,
before me:

Commissioner for Oaths /
Barrister /Notary Public

RICHARD A. SPELLACY

CFI

VENDOR REGISTRATION APPLICATION

Canada Fluorspar (NL) Inc.

St Lawrence Newfoundland

Notes to vendors : Vendor registration is essential for procurement and payment purposes.
Please answer all questions fully so that your application may proceed without delay
INFORMATION PROVIDED REMAINS CONFIDENTIAL IN PERPETUITY

Date of Application	Prepared by	Title
28-Oct-21	Richard Spellacy	President

Full company name *: Inaminka Marine Services Ltd.

Currency *: Canadian Dollars

Business Address *: Suite 202, 130 Lemarchant Road

City *	Province/State *	Country *
St. Johns	Newfoundland and Labrador	Canada

Postal/Zip Code	Company registration number *	Payment Terms *
A1C 2H2	38557	Net 30 days

Contacts

Operations Contact Name	Phone Number	Email Address
Richard Spellacy	709 685 1725	richardspellacy@hotmail.com

PO Contact Name	Phone Number	Email Address
Richard Spellacy	709 685 1725	richardspellacy@hotmail.com

A/R Contact Name	Phone Number	Email Address
Richard Spellacy	709 685 1725	richardspellacy@hotmail.com

VOLUNTARY: Is your business owned by a member of an underrepresented group (mark X in all that apply)

	Women		Disability
	Aboriginal		Visible Minority

Banking information

Name to appear on cheques or wire transfers *: Inaminka Marine Services Ltd

Name of bank	Address of bank	
CIBC	215 Water Street, St. Johns, NL, A1C6C9	

Institution # (3 digits) *	IBAN/Account Number *	Swift *
390	00063-010-4811410	CIBCCATT

Transit # (5 digits) *		Country
63		CANADA

Mailing Address for Cheque (If applicable)

Full company name *: Inaminka Marine Srvices Ltd.

Business Address *: Suite 202, 130 Lemarchant Road

City *	Province/State *	Country *
St. Johns	NL	CANADA

Postal/Zip Code: A1C 2H2

Internal use Only (CFI)

Entered in Sage date: ______ /______ /______ Entered By: ____________________

This is exhibit A referred to in the affidavit of Richard A. Spellacy sworn or affirmed before me this 15th day of February, 2022

[signature]

Canada Fluorspar (NL) Inc.

Purchase Requisition

Date	Page
2021-11-05	1
Purchase Requisition Number	
RQN0012966	

Reference	Description	Required Date		Requested By
Blue Beach	Review BB barge mooring away f		CAP2021-001	Serena Hickey

Ship To	Bill To	Ship Via	FOB Point

Item	Description	Vendor	Expected Arrival	GL Account	Quantity	UOM	Unit Cost	Extended Cost
CAPDC	Review BB barge mooring away from cribs			18343-505-033	60.00	EA	1,500.00CAD	90,000.00

This is exhibit "B" referred to in the affidavit of Richard A. Spellacy sworn or affirmed before me this 15th day of February, 2022.

Comment:
Vendor Richard Spellacy

Total Cost: 90,000.00

Approver Name: **Approver Position / Title:**

CFI
CANADA FLUORSPAR INC.

Purchase Order

Date	Page
Dec 14, 2021	1
Purchase Order Number	
PO00021012	

Canada Fluorspar (NL) Inc.
P.O. Box 337
St. Lawrence, NL A0E 2V0

01/19/2022
7:27:52AM

REQUISITION # RQN0012966

Vendor Address:

Inaminka Marine Services Ltd.
Suite 202
130 Lemarchant Rd
St. John's, NL A1C 2H2
Canada

Reference	Contact	Vendor Number	PO Date	Terms	Ship Via	Expected Arrival
Blue Beach		INAMAR	Dec 14, 2021	NET60		

Qty. Ordered	Vendor Item Number	Description	CFI Item Number	Unit Cost	UOM	Extended Price
0.0000	CAPDC	Review BB barge mooring away from cribs $220.00 PER HOUR **Instructions:** Requisitioner: SHICKEY RQN0012966	CAPDC	1.000000	EA	0.00
0.0000	CAPDC	MILELAGE .60 PER KM **Instructions:** Requisitioner: SHICKEY RQN0012966	CAPDC	1.000000	MT	0.00
50,000.0000	RQN13616	Review BB Barge Mooring Away from Crib (220.00 per hr)	CAPDC	1.000000	EA	50,000.00
3,000.0000	CAPDC	MILELAGE	CAPDC	1.000000	EA	3,000.00

Comments:
Richard Spellacy to SUBMIT DAILY RECORD OF WORK DONE WITH INVOICE

Tax Summary:
HSTGST 7,950.00

Less: included tax	0.00
Subtotal	53,000.00
Total tax	7,950.00
Total purchase order	60,950.00

CFI
CANADA FLUORSPAR INC.

Purchase Order

Date	Page
Dec 14, 2021	1

Purchase Order Number
PO00021012

12/14/2021
8:14:19AM

REQUISITION # RQN0012966

Vendor Address:

Inaminka Marine Services Ltd.
Suite 202
130 Lemarchant Rd
St. John's, NL A1C 2H2
Canada

Contact : Richard Spellacy
Phone: 7096851725
Email: richardspellacy@hotmail.com

Ship To/Biling address

Canada Fluorspar (NL) Inc
141 Director Drive
P.O. Box 337
St. Lawrence, NL
A0E 2V0
Phone: (709) 873-3331
Fax: (709) 873-3335

Reference	Contact	Vendor Number	PO Date	Terms	Ship Via	Expected Arrival
Blue Beach		INAMAR	12/14/2021	NET60		

Vendor Item Number	Description	CFI Item Number	Qty. Ordered	Expected Arrival	Unit Cost	UOM	Extended Price
GL ACCT:	Review BB barge mooring away from cribs $220.00 PER HOUR 18343-505-033	CAPDC	87,000.00		1.000000	EA	87,000.00
GL ACCT:	MILELAGE .60 PER KM 18343-505-033	CAPDC	3,000.00		1.000000	MT	3,000.00

Comments:
Richard Spellacy to SUBMIT DAILY RECORD OF WORK DONE WITH INVOICE

Tax Summary:
HSTGST 13,500.00

Subtotal	**90,000.00**
Total tax	**13,500.00**
Total purchase order	**103,500.00**

Approver Name: **Approver Position / Title:**

Bill Dobbs
Jason Flood
Patrick Gannon
Ron Milmine
Serena Hickey
Terry Fleming

INAMINKA MARINE LTD.
130 LeMarchant Road, Suite #301
St. Johns, Newfoundland, A1C 2H2
(709) 739-4714
Fax: (709) 739-0317
email:dspellacy@nf.aibn.com
HST#88690 8235 RT0001

November 30th 2021

Canada Fluorspar (NL) Inc.
PO Box 337
St. Lawrence, NL
A0E2V0

This is exhibit "C" referred to in the affidavit of Richard Spellacy sworn or affirmed before me this 1st day of February, 2022.

RQN #N0012966
Inaminka 20209

Attention: Jason Flood

Re Consulting on loading Barge

27.5 days @ C$1,500.00 per day	$41,250.00
HST @15%	$6,187.50
Expences as attached	$894.00
Total	**$48,331.50**

Please deposit directly to the account of Inaminka Marine at;
Canadian Imperial Bank of Commerce
Atlantic Place
St. Johns

A/C #	00063-010-4811410
IBAN #	//CC001000063
BIC/SWIFT	CIBCCATT

Kind regards

R. A. Spellacy

HST #88690 8235 RT0001

INAMINKA MARINE LTD.
130 LeMarchant Road, Suite #301
St. Johns, Newfoundland, A1C 2H2
(709) 739-4714
Fax: (709) 739-0317
email:dspellacy@nf.aibn.com
HST#88690 8235 RT0001

December 12th 2021

Canada Fluorspar (NL) Inc.
PO Box 337
St. Lawrence, NL
A0E2V0
Re P/O #O00021012
RQ#0012966

Inaminka 20210

Attention: Jason Flood/Ron Milmine

Re Consulting on loading Barge

R. Spellacy 64.5 hours @$220.00/hour	$14,190.00
A. Barclay 24 hours @$200.00/hour	$4,800.00
HST @15%	$2,848.50
Expences as attached	$539.17
Total	**$22,377.67**

Please deposit directly to the account of Inaminka Marine at;
Canadian Imperial Bank of Commerce
Atlantic Place
St. Johns
A/C # 00063-010-4811410
IBAN # //CC001000063
BIC/SWIFT CIBCCATT

Kind regards

R. A. Spellacy

INAMINKA MARINE LTD.
130 LeMarchant Road, Suite #202
St. Johns, Newfoundland, A1C 2H2
(709) 739-4714
Fax: (709) 739-0317
email:dspellacy@nf.aibn.com
HST#88690 8235 RT0001

December 31st 2021

Canada Fluorspar (NL) Inc.
PO Box 337
St. Lawrence, NL
A0E2V0
Re P/O #O00021012
RQ#0012966

Inaminka 202111

Attention: Jason Flood/Ron Milmine

Re Consulting on loading Barge

R. Spellacy 140.0 hours @$220.00/hour	$30,800.00
A. Barclay 30 hours @$200.00/hour	$6,000.00
HST @15%	$5,520.00
Expences as attached	$606.85
Total	**$42,926.85**

Please deposit directly to the account of Inaminka Marine at;
Canadian Imperial Bank of Commerce
Atlantic Place
St. Johns

A/C #	00063-010-4811410
IBAN #	//CC001000063
BIC/SWIFT	CIBCCATT

Kind regards

R. A. Spellacy

HST #88690 8235 RT0001

INAMINKA MARINE LTD.
130 LeMarchant Road, Suite #202
St. Johns, Newfoundland, A1C 2H2
(709) 739-4714
Fax: (709) 739-0317
email:dspellacy@nf.aibn.com
HST#88690 8235 RT0001

January 15th, 2021

Canada Fluorspar (NL) Inc.
PO Box 337
St. Lawrence, NL
A0E2V0
Re P/O #O00021012
RQ#0012966

Inaminka 202201

Attention: Jason Flood/Ron Milmine

Re Consulting on loading Barge

R. Spellacy 65.0 hours @$220.00/hour	$14,300.00
HST @15%	$2,145.00
Total	**$16,445.00**

Please deposit directly to the account of Inaminka Marine at;
Canadian Imperial Bank of Commerce
Atlantic Place
St. Johns

A/C #	00063-010-4811410
IBAN #	//CC001000063
BIC/SWIFT	CIBCCATT

Kind regards

R. A. Spellacy

INAMINKA MARINE LTD.
130 LeMarchant Road, Suite #202
St. Johns, Newfoundland, A1C 2H2
(709) 739-4714
Fax: (709) 739-0317
email:dspellacy@nf.aibn.com
HST#88690 8235 RT0001

February 1st 2021

Canada Fluorspar (NL) Inc.
PO Box 337
St. Lawrence, NL
A0E2V0
Re P/O #O000021012
RQ#0012966

Inaminka 202202

Attention: Jason Flood/Ron Milmine

Re Consulting on loading Barge

R. Spellacy 66.0 hours @$220.00/hour	$14,520.00
Expences as attached	$91.00
HST @15%	$2,178.00
Total	**$16,789.00**

Please deposit directly to the account of Inaminka Marine at;
Canadian Imperial Bank of Commerce
Atlantic Place
St. Johns
A/C # 00063-010-4811410
IBAN # //CC001000063
BIC/SWIFT CIBCCATT

Kind regards

R. A. Spellacy

HST #88690 8235 RT0001

Court File No. T- 279-22

FEDERAL COURT
ADMIRALTY ACTION *IN REM* AND *IN PERSONAM*

BETWEEN:

INAMINKA MARINE SERVICES LIMITED., a body corporate

Plaintiff

AND:

CANADA FLUORSPAR (NL) INC., a body corporate

Defendants
(In Personam)

AND: THE OWNERS AND ALL OTHERS INTERESTED IN THE SHIP, "BARGE H-404"

Defendants
(In Rem)

WARRANT
(RULE 481)

TO The High Sheriff of the Province of Newfoundland and Labrador or as the case may be:

YOU ARE DIRECTED to arrest the ship "Barge H-404" and to keep the same under arrest until further order of this Court.

DATED this 16th day of February, 2022.

ORIGINAL SIGNED BY
MICHAEL KOWALCHUK
ORIGINAL SIGNÉ PAR

Issued By: ________________________
(Registry Officer)

I HEREBY CERTIFY that the above document is a true copy of the original issued out of / filed in the Court on the 16 day of February A.D. 20 22

Dated this 16 day of February 20 22

M. Kowalchuk
Registry Officer
Agent du greffe

4865-5723-0607, v. 1

Address of Local Office: Federal Court
354 Water Street, 2nd Floor
St. John's, NL A1C 1C4

This warrant was issued at the request of Benson Buffett PLC Inc. and inquiries may be directed to:

Deborah L.J. Hutchings Q.C.
Benson Buffett PLC Inc.
Solicitors for the Plaintiff
Whose Address for Service is:
Suite 900, Atlantic Place
St. John's, NL A1C 5N8

Telephone: (709) 579-2081
Facsimile: (709) 579-2647

Court File No. T- 279-22

FEDERAL COURT
ADMIRALTY ACTION *IN REM* AND *IN PERSONAM*

BETWEEN:

INAMINKA MARINE SERVICES LIMITED., a body corporate

Plaintiff

AND:

CANADA FLUORSPAR (NL) INC., a body corporate.

Defendants
(In Personam)

AND: **THE OWNERS AND ALL OTHERS INTERESTED IN THE SHIP, "BARGE H-404"**

Defendants
(In Rem)

STATEMENT OF CLAIM

TO THE DEFENDANTS:

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the Plaintiff. The claim made against you is set out in the following pages.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or a Solicitor acting for you are required to prepare a statement of defence in Form 171B prescribed by the *Federal Court Rules, 1998*, serve it on the Plaintiff's solicitor or, where the Plaintiff does not have a solicitor, serve it on the Plaintiff, and file it, with proof of service, at a local office of this Court, WITHIN 30 DAYS after this statement of claim is served on you, if you are served in Canada.

If you are served in the United States of America, the period for serving and filing your statement of defence is forty (40) days. If you are served outside Canada and the United States of America, the period for serving and filing your defence is sixty (60) days.

Copies of the Federal Court Rules, 1998, information concerning the local offices of this Court and other necessary information may be obtained on request by the Administrator of this Court at Ottawa (613-992-4238) or at any local office.

IF YOU FAIL TO DEFEND THIS PROCEEDING, judgment may be given against you in your absence and without further notice to you.

DATED at St. John's, Newfoundland and Labrador, this day of February, 2022.

ORIGINAL SIGNED BY
ORIGINAL SIGNÉ PAR
Issued by: ~~RENEE CORNICK~~
(Registry Officer) REGISTRY OFFICER
AGENT DU GREFFE

Federal Courts
354 Water Street
2nd Floor
St. John's, NL
A1C 1C4

TO: Canada Fluorspar (NL) Inc.
P.O. Box 337
1 Clarke's Pond Road
St. Lawrence, NL A1E 2V0

AND TO: The Ship "Barge H-404", the Owners and All Others Interested in the Ship "Barge H-404"
Their Solicitors or Agents

1. The Plaintiff, Inaminka Marine Services Limited, claims against the Defendants for consultation and design services provided by the Plaintiff to the Defendants at their request (the "Services"). By contract the Services were performed by the Plaintiff for the Defendants and the cost of same is due and owing from the Defendant, Canada Fluorspar (NL) Inc. ("CFI").

2. The Plaintiff is a body corporate duly incorporated under the laws of the Province of Newfoundland and Labrador (the "Province"), whose registered office is Suite 202, 130 LeMarchant Road, St. John's, NL A1C 2H2.

3. CFI is a body corporate duly incorporated under the laws of the Province, whose registered office is P.O.Box 337, 1 Clarke's Pond Road, St. Lawrence, NL A0E 2V0. At all times material hereto, CFI was the beneficial owner of the Barge H – 404 (the "Barge") which is typically moored at CFI's loading piers at its Blue Beach terminal, at or near the Town of St. Lawrence, in the Province (the "Terminal").

4. The Services supplied by the Plaintiff included, but were not limited to, consultation to CFI on the manner in which the Barge could be moved to safety from approaching inclement weather without the use of tugs; designed a system or process which would allow CFI to move the Barge on and off the loading piers; designed a set of storm moorings to facilitate the movement of the Barge on and off the loading piers; sourced all contractors to manufacture the various components in the process of moving the Barge and to install such components, respectively; and drafted a budget and timeline for the completion of the process.

5. The Plaintiff states that the amount of $146,870.02 is the outstanding debt due and owing to it from CFI and the Defendants for the supply by the Plaintiff of the Services, aforesaid. Despite repeated requests to CFI and the Defendants for payment, the outstanding amount has not been paid.

6. The Plaintiff pleads breach of contract and the provisions of the *Federal Court Act*, R.S.C. 1985, c.F-7.

7. The Plaintiff claims against CFI and the Defendants the sum of $146,870.02 which is due and owing to the Plaintiff, plus interest thereon and costs.

8. The Plaintiff requests that the hearing in this matter take place in St. John's, Newfoundland and Labrador.

DATED at St. John's, Newfoundland and Labrador, this 16th day of February, 2022.

I HEREBY CERTIFY that the above document is a true copy of the original issued out of / filed in the Court on the FEB 16 2022 day of ________ A.D. 20__

Dated this FEB 16 2022 day of ________ 20__

BENSON BUFFETT PLC INC.

Per: ____________________
DEBORAH L.J. HUTCHINGS, QC
Solicitors for the Plaintiffs
Whose Address for Service is:
Suite 900, Atlantic Place
St. John's, NL A1C 5N8

TO: Canada Fluorspar (NL) Inc.
P.O. Box 337
1 Clarke's Pond Road
St. Lawrence, NL A1E 2V0

AND TO: The Ship "Barge H-404", the Owners and All Others Interested in the Ship "Barge H-404"
Their Solicitors or Agents

Appendix "L"

District of: Newfoundland and Labrador
Division No. 01 - St John's
Court No. 2022 01G 0709
Estate No. 51-126357

FORM 18
Notice of Application for Taxation of Accounts and Discharge of Interim Receiver
(Rule 79)

Take notice that:

1. Attached to this notice is a copy of the final statement of receipts and disbursements of Grant Thomton Limited, the interim receiver of the property of Canada Fluorspar Inc., the debtor.

2. Also attached is a statement of account prepared by the interim receiver and other information concerning the fees and expenses.

3. Objection to the statement of receipts and disbursements and to the discharge of the interim receiver must be filed with the court and the undersigned within the 30 days after the day on which this notice is sent. The notice of objection must state the reasons for the objection.

4. The debtor or, in the case of a bankruptcy, the trustee or any creditor may file a notice of objection.

5. Where no objection is filed within 30 days after the sending of this notice, the interim receiver's accounts are deemed to have been taxed and the interim receiver is deemed to be discharged, unless the court requires that the accounts be taxed on their own merit.

Dated at the City of Halifax in the Province of Nova Scotia, this 26th day of May 2022.

Grant Thornton Limited - Licensed Insolvency Trustee

Nova Centre, North Tower
1675 Grafton Street, Ste. 1000
Halifax NS B3J 0E9
Phone: (902) 421-1734 Fax: (902) 420-1068

District of: Newfoundland & Labrador
Division No: 01-St. John's
Court No: 2022 01G 0709
Estate No: 51-2703157

SUPREME COURT OF NEWFOUNDLAND AND LABRADOR
GENERAL DIVISION

IN THE MATTER OF THE INTERIM RECEIVERSHIP OF

CANADA FLUORSPAR (NL) INC. AND
CANADA FLUORSPAR INC. ("CFI" of the "Company")

I, Phil Clarke, CPA, CA, CIRP, LIT, on behalf of GRANT THORNTON LIMITED, Interim Receiver of Canada Fluorspar (NL) Inc. and Canada Fluorspar Inc., hereby make application to the Court, pursuant to Rule 79 of the *Bankruptcy and Insolvency Act,* to set our fee for the administration of the Estate at $225,713.50 including HST.

I hereby make oath and say:

1. THAT the several statements below are within my knowledge true;
2. THAT on March 11, 2022 the Supreme Court of Newfoundland and Labrador granted an initial order ("Initial Order") pursuant to the *Companies Creditor Arrangement Act* ("CCAA");
3. THAT on March 18, 2022 the Supreme Court of Newfoundland and Labrador granted an amended and restated initial order ("ARIO") pursuant to the CCAA;
4. THAT Grant Thornton Limited was appointed Monitor in the CCAA proceeding;
5. THAT information related to the CCAA proceeding can be found on the Monitor website at www.grantthornton.ca/cfi;
6. THAT the Interim Receiver preserved and protected the assets of the Company pursuant to its appointment. All matters arising out of and in connection with the Estate have been dealt with, that all expenses of the Estate have been paid, that all residual funds have been transferred to the Monitor, and the oversight of the assets of the Estate have been transferred to the Monitor pursuant to the Initial Order and the ARIO without issue;

7. THAT the attached Final Statement of Receipts and Disbursements appearing as Exhibit "A" is accurate;

8. THAT the following facts justify the fee hereby applied for:

   a. That the Interim Receiver's total fees at normal rates, including disbursements for actual travel and administrative expenses total $225,713.50 (actual fee on the Statement of Receipts and Disbursements).

	Fees	Expenses	HST	Total	Hours	Average Rate / Hour
LNOS-1505	82,531.25	13,253.16	14,367.67	110,152.08	263.45	313.27
LNOS-1504	96,942.50	3,545.69	15,073.23	115,561.42	232.00	417.86
	179,473.75	16,798.85	29,440.90	225,713.50	495.45	362.24

   b. That the major matters handled by the Interim Receiver in this estate were as follows:

      - Support the secured creditors and respond to queries related to the preparation of the documentation in support of the application for the appointment of the Interim Receiver;
      - Attending Court hearings for the application of the Interim Receiver;
      - Respond to creditor, supplier, employee, regulator, provincial, municipal bodies and other stakeholders' queries throughout the process;
      - Oversee the completion of the Company's mass termination of employee which began before the appointment of the Interim Receiver;
      - Meet with CFI senior management and employees retained to put the mine into care and maintenance mode, retain their continued service and support during the proceeding;
      - In conjunction with CFI senior management, developed and successfully implemented a plan to transition the mine operations from full operations to care and maintenance mode;
      - Meet with CFI management and employees and successfully executed on a plan to maint the Health, Safety and Environmental processes of CFI;
      - Developed a security plan for the CFI facilities;
      - Working with the insurer, maintained the existing CFI insurance policy;
      - Worked with vendors to ensure the continued provision of services to CFI as it transitioned to a care and maintenance mode, and while in care and maintenance mode;
      - Established a trust account and secured the cash from HSBC pursuant to the Interim Receivership order;
      - Established estate procedures to review expenses, enter into contracts, and pay expenses;
      - Extensive communications with senior secured creditors including the proposed DIP Lenders;

- Executed on the Interim Receiver's borrowing power to source funds from an existing secured lender to allow the proceedings to continue;
- Performed analysis on the existing inventory, accounts receivable, reviewed various secured claims on each asset, costs to sell, etc. and supported the secured creditor negotiations over the various claims to inventory that resulted in an Inventory Settlement Agreement;
- Supported and participated in secured creditor negotiations on certain secured creditors providing the Company a DIP loan to support a sales process ("SISP") within a CCAA proceeding;
- Entered into a DIP loan agreement in support of a CCAA application;
- Completed the court materials for the initial application under the CCAA and the ARIO including various affidavits, orders, SISP order, and SISP procedures;
- Travel to and from Newfoundland & Labrador for the Grant Thornton Limited team to attend on site;
- Attendance at site to monitor the custody and control of assets, prepare mine for idle operations, liaise with employees, and review company records;
- Review requirements under the Wage Earner Protection Program Act;
- Telephone conferences and email communications with stakeholders;
- Establish an email communication process (canadafluorspar@ca.gt.com) to communicate with stakeholders and track inquiries;
- Respond to inquiries from stakeholders, employees and other stakeholders;
- Termination of certain employees;
- Payment of critical suppliers and employees;

c. That 495.45 hours of professional time have been charged to the Estate by myself and the Interim Receiver's staff.

d. That the fees of $179,473.75 plus expenses and Goods and Services Tax represents an average hourly rate for professional time of $362.24 per hour.

e. That Exhibit "B" includes the invoices for professional time and expenses charged to the Estate with a detailed summary of professional time.

SWORN BEFORE ME in the City of Halifax, in the Province of Nova Scotia this 24th day of May 2022
CC

A Commissioner of Oaths

Corey Hines
A Commissioner of the Supreme Court of Nova Scotia
Expiry: October 13, 2026

GRANT THORNTON LIMITED
Licensed Insolvency Trustee
Per:

Phil Clarke, CPA, CA, CIRP, LIT

Estate No: 51-126357

GRANT THORNTON LIMITED
INTERIM RECEIVER OF CANADA FLUORSPAR INC.
FINAL STATEMENT OF RECEIPTS AND DISBURSEMENTS
FROM FEBRUARY 21, 2022 TO MAY 13, 2022

RECEIPTS:			
Advance from Secured Creditor	$	1,800,000.00	1
Cash in Bank		150,030.15	1
TOTAL RECEIPTS	**$**	**1,950,030.15**	
DISBURSEMENTS:			
Payroll	$	1,169,418.02	
Maintenance		1,070.87	
Fuel		9,981.99	
Freight		-	
Utilities		76,401.13	
Insurance		78,434.36	
Materials & Supplies		-	
Professional Fees - Restructuring		225,713.50	
Other - Miscellaneous		63,520.18	2
Telephone / Communications		4,059.02	
Environmental		575.00	
Logistics / Warehousing		86.25	
Contingency			
	$	**1,629,260.32**	
PAYMENTS TO SECURED CREDITORS			
Transfer to the CCAA Proceeding		320,769.83	
TOTAL DISBURSEMENTS	**$**	**1,950,030.15**	
FUNDS ON HAND	**$**	**-**	

Note:
1. Cash in HSBC bank account, including the advance payment to Ceridian of the payroll to be paid on February 25, 2022. The Interim Receiver executed a borrowing certificate in the amount of $1,800,000 in exchange for the use of this cash, which formed part of the DIP Loan Agreement provided by the senior secured creditors, and approved in the subsequent CCAA proceeding.
2. Includes $61,680.18 for mining license renewals.
3. Legal fees incurred by the Company in the estate were paid from a retainer. The Interim Receiver did not incur any legal fees. Legal fees incurred related to the CCAA application have been recorded in that proceeding.
4. Expense items include HST.

Per: Grant Thornton Limited
Interim Receiver of Canada Fluorspar Inc.

Phil Clarke, CPA, CA, CIRP, LIT
Senior Vice President

Exhibit "B"

Grant Thornton

February 28, 2022

Canada Fluorspar Inc.
1 Clarke's Pond Rd
St. Lawrence NL A0E 2V0

Remit To:
Grant Thornton Limited
Nova Centre, North Tower
1001 - 1675 Grafton St
Halifax, NS B3J 0E9

BN 12738 4717 RT0001

CLIENT # 327680

INVOICE # LNOS-1504

TO PROFESSIONAL SERVICES

PROFESSIONAL SERVICES RENDERED IN CONNECTION WITH OUR APPOINTMENT AS INTERIM RECEIVER OF CANADA FLUORSPAR INC.

FOR THE PERIOD OF FEBRUARY 18, 2022 TO FEBRUARY 28, 2022

Fees for this Invoice (see attached details)		$96,942.50
Meals		876.65
Travel		2,568.74
Misc.		100.30
	Sub Total	100,488.19
	HST	15,073.23
	CAD	$115,561.42

Billing Address
Nova Centre, North Tower
1000 - 1675 Grafton St
Halifax NS B3J 0E9
T +1 902-421-1734
F +1 902-420-1068

Please make payment(s) payable to Grant Thornton Limited
For Billing inquiries, please contact your local office.
For payment inquiries, please call 1-844-268-1495 between 8:30 AM and 6:30 PM Atlantic Time, Monday to Friday. We accept payments using Visa or MasterCard.
Please note we are unable to accept INTERAC E-transfer.
For money transfers: RBC Royal Bank of Canada, 200 Bay Street, Toronto, ON M5J 2J5
Bank No: 003 Transit No: 00002 Account No: 1456458 BIC/SWIFT Code: ROYCCAT2
Please send remittance details to: Accounts.Receivable@ca.gt.com

Exhibit "B"

Canada Fluorspar Inc. Details to February 28th, 2022

Date	Staff	Hours	Note
2/18/2022	CH	6.00	Call with A. Selvaratnam regarding use of Kite works; Review possibilities of handling terminated employees. Call with S. MacNeil regarding an update on company; Look into possible travel dates and accommodations to Newfoundland.
2/18/2022	JK	4.25	Internal meetings re: Interim Receiver appointment; Review of court materials
2/18/2022	SM	6.75	Call with PwC to discuss next steps; Finalize care and maintenance cash flow budget; Conf. calls with company and legal advisors to discuss path forward, DIP financing, etc.; Call with B. Dobbs; Changes to cash flow forecast; Emails with company and advisors re various matters; etc
2/18/2022	CH	3.00	Call with A. Selvaratnam regarding use of Kiteworks; Review possibilities of handling terminated employees. Call with S. MacNeil regarding an update on company; Look into possible travel dates and accommodations to Newfoundland.
2/18/2022	PC	6.00	Call with PwC on IR application and review of various documents; various calls with stakeholders on same; various calls and correspondence on employee termination letters and notice requirements.
2/19/2022	PC	5.00	Call with PwC on payroll funding and various filing issues; various calls with stakeholders on same
2/19/2022	SM	4.50	Review draft interim receiver order; Review filing materials; Emails with J. Kreiger re changes to order; Call with J. Thorne re filing; Signing consent to act; Calls and emails with P. Clarke; Schedule team to go to St. Lawrence; Call with PwC, Stewart McKelvey, MC re Interim Receiver filing; Arrange travel plans, flights, accommodations.
2/19/2022	JK	0.60	Correspondence with team; Review and comments on draft order;
2/19/2022	JK	4.00	Review of Court Materials for IR appointment
2/19/2022	CH	0.50	Review Interim Receiver application, affidavit and order.
2/20/2022	PC	2.00	Various correspondence on employee termination; IR application, estate funding, etc.
2/21/2022	CH	7.50	Arrive onsite and meet with security to get checked in; Meet with M. Spears as an introduction; Meeting with S. MacNeil, J. Kanji, A. Nash and P. Clarke regarding planning for the week; Tour entire facility with P. Hennebury and A. Nash documenting security measures in place and taking photographs; Document security measures noted during site tour.
2/21/2022	AN	7.25	Orientation to get onto site, discussion with team about the engagement, tour around site with Peter (employee) to take photos and gather information about the location, upload photos onto the firmex, listen into the court hearing, etc.
2/21/2022	PC	12.00	Call on handling media relations; call on hearing; prep for and attendance at IR hearing; call with JKreiger on same; flight to NL; circulate information on security personnel and employee retention; employee terminations and update to stakeholders on same
2/21/2022	JK	7.80	Prepare for and attend client site; Communications with CFI management re: interim receivership; Attend Court Hearing; Review matters pertaining to the Interim Receivership Order; Internal discussions with team; Review of cash flow and care & maintenance plan
2/21/2022	JK	0.30	Correspondence and discussions re; form of order, considerations on appointment;
2/21/2022	SM	9.00	TC's with D. Kitchen. Meet with staff on site; Meet with M. Sperns re terminations; Meet with key staff members re shut down and care and maintenance plan; Oversee terminations; Numerous calls and emails with stakeholders re IR application, estate funding, operational issues, press releases, etc.
2/22/2022	SM	8.50	Meet with staff members; Meet with P. Gannon to discuss staff retention, shut down, payroll, expenses, cash flow budget; Tour facility; Review HSBC receivables; TC's and emails with stakeholders; TC's with D. Kitchen; Review inventory at site; Conf call with HSBC and Dentons re AR out of retention; etc.

Exhibit "B"

Canada Fluorspar Inc. Details to February 28th, 2022

Date	Staff	Hours	Note
2/22/2022	JK	7.60	Prepare for and attend client site; Banking and funding discussions and matters; Discussions with CFI management; Review Care and Maintenance plan with team and management; Discussions with management and team re: securing assets and employee matters
2/22/2022	PC	6.75	Call with senior management on CFI interim receiver appointment; correspondence with HSBC on cash and AR, terminations and correspondence with senior mgmt.; terminate CEO and CFO and correspondence on same; call to various suppliers; review and sign notice to minister on mass termination; certified order and GT website
2/22/2022	AN	7.00	Creating sign for doorways for property. Reviewing through the fixed asset schedule and leased liability schedule. Discussions with Heather on site about the above noted documents. Heather provided further documentation/wps to review for the fixed assets and leases etc.
2/22/2022	ASh	0.50	Set up Creditor Website and communicated with team and IT to request shorter website.
2/22/2022	CH	7.50	Draft letter to HSBC to freeze CFI bank account and wire funds to trust account; Discussion with H. Clarke and A. Nash regarding leased equipment versus equipment owned and any equipment held offsite; Draft trust account setup form for S. MacNeil signature; Email correspondence with A. Shahini regarding website to be setup for Interim Receivership; Email correspondence with L. Southam regarding setting up trust account for Interim Receivership; Draft security memorandum for security measures currently in place and measures security was currently taking; Email correspondence with A. Shahini regarding documents to upload to GT CFI website;
2/23/2022	CH	6.50	Email correspondence with V. Naccarato regarding setting up an email account for CFI; Discussion with M. Brushett regarding payroll of remaining 51 employees; Email correspondence with A. Shahini regarding GT website; Updated cash flow model based on new payroll data and updated assumptions from management.
2/23/2022	JK	0.30	Correspondence re; risk management matters; Review of case website matters;
2/23/2022	ASh	2.00	Communicated with team for creditor website requirements and updated folders and naming; Set up files and uploaded on creditor website; Call with IT to discuss abbreviation name on website and updated team.
2/23/2022	AN	8.75	Discussions with heather with CFI about financing information on server and asking her to pull down AP and AR listing from sage, also discussions about asset listing, etc. Reviewing CFI's server and pulling over information which would be relevant to the file, for all aspects, including the CIM Internal team discussions about cash flow analysis, next steps, etc.
2/23/2022	PC	7.00	Employee meetings; mgmt. discussion on C&M budget, etc. update with stakeholders; correspondence with various interested parties; website update; call with NL Power; discussion with PWC and PNL on DIP
2/23/2022	JK	7.20	Prepare for and attend client site; Prepare FAQs for employees; Correspond with CFI management on matters pertaining to securing assets and employees; Discussions re; banking matters; Review receivable matters; Meetings with CFI management re: care and maintenance plan; Calls with creditors
2/23/2022	SM	8.00	Attend at mine site; Meet with staff; Dealing with creditor inquiries and contractors looking to recover third party equipment; Drafting cash flow forecast with care and maintenance payroll; Calls and emails with stakeholders and legal counsel re various matters; Review security measures in place; Draft employee related communication; Disc. With P. Gannon and M. Spearns re various employee issues.
2/24/2022	SM	8.00	Attend at mine site/head office; Finalize cash flow forecast; Conf call with PNL, PwC and other stakeholders; Meet with staff re operational update; Arrange for payment to secure delivery of supplies; Emails with prospective purchasers; etc.
2/24/2022	AS	1.25	Call with C.Hines re: CFI, call with Versabank re: incoming funds, checking banking details. Responding to inquires in CFI inbox. Linking bank account and filing backup.

Exhibit "B"

Canada Fluorspar Inc. Details to February 28th, 2022

Date	Staff	Hours	Note
2/24/2022	JK	7.70	Prepare for and attend client site; Prepare responses to stakeholders; Review Care and Maintenance plan; Review cash control, banking and receivable matters; Discuss with team proceedings matters; securing assets and details; Review security memo
2/24/2022	PC	12.00	Review draft C&M budget; circulate to stakeholders; call with senior secured lenders on budget and DIP; drive to St. John's; various call with C&P on status of the DIP and CCAA timing; flight to Halifax; call with Service Canada; correspondence with creditors
2/24/2022	AN	8.25	Working with Heather on Capital Asset listing in relation to what is owned, leased, delivered/unpaid, and disposed. Emails to heather about to do tasks, such as obtaining lease agreements, inventory listing, etc. Updating working paper related to capital assets based on discussions with Heather. Internal team discussions throughout day. Listening in on call with Sean, Phil, etc.
2/24/2022	ASh	0.50	Followed up with IT and team on website issues. Call with IT re: website issue; Emailed team instructions on update.
2/24/2022	CH	7.50	Call with A. Selvaratnam regarding an update on CFI; Email correspondence with A. Selvaratnam regarding GT CFI email and employee expense claim submitted; Meet with P. Hennebury regarding security memorandum; Update security memorandum and send revised draft to J. Kanji and S. MacNeil for review.
2/25/2022	CH	4.50	Email correspondence with various creditors regarding Interim Receivership.
2/25/2022	PC	2.00	Review AR and call with HSBC on inventory and AR.
2/25/2022	AN	2.50	Prepared email for team update on status of work. Placing work onto server and organizing information. Searching through CFI server for information for CIM. Reading through media articles, internal team discussions on various parts of the file (i.e.: tail pond), etc.
2/25/2022	PC	4.50	Review AR and call with HSBC on inventory and AR; correspondence with creditors; correspondence with interested parties; correspondence with possible DIP lenders; correspondence on DIP order; call with GEO and Controller on status on file
2/25/2022	JK	7.90	Prepare for and attend client site; Review close up matters for week; Discussions with CFI management re: employee matters; Prepare and review communications with creditors and employees; Internal discussions re: same with team; Travel from St. Lawrence to Marystown
2/25/2022	AS	0.50	Email responses to Canada fluorspar inquiries.
2/25/2022	SM	13.00	Attend at site; Meet with staff; Meet with M. Spearns re employee issues; Emails with lawyers re employee and creditor communications; Review financial information; Meet with A. Drake re IT issues and data backup; TC's with D. Kitchen re HSBC receivables/inventory; Emails with prospective purchasers; Review weekly report on care and maintenance; Meet with various employees re mine/mill shutdown.
2/28/2022	AM	0.25	Environmental report to Fiera Capital.
2/28/2022	JK	4.25	Review banking matters; Discussions with team internally re: insolvency plan; Review FAQs; Calls with creditors
2/28/2022	ASh	0.30	Responded to S. MacNeil's email; Communicated with team on employee update; Responded to employee call.
2/28/2022	SM	5.00	Emails with A. Nash and A. Brown re CCAA planning; Review draft of DIP financing agreement.
2/28/2022	PC	8.00	Call with BFI on status of file and DIP; call on DIP agreement with McInnes Cooper and call on DIP with legal counsel for BFI and PNL; review employee FAQ; call with potential DIP lenders, call on mineral rights, call on DIP update with BFI
2/28/2022	AS	1.50	Sorting details with Versabank re: incoming funds, entering details into ascend and filing backup. Preparing transfer wire request, call with PC on next steps Call with Bell Aliant re: account suspension, email request re details, follow-up call with Bell Aliant for confirmation.
		263.45	

Exhibit "B"

Canada Fluorspar Inc. Details to February 28th, 2022

Date	Staff	Hours	Note

FEE SUMMARY

Trustee	Rates	Units	$ Value
Phil Clarke, CIRP	475.00	65.25	$30,993.75
Jonathan Krieger, CIRP	475.00	1.20	$570.00
Sean MacNeil, CIRP	400.00	62.75	$25,100.00
Professional			
Jason Kanji	375.00	50.70	$19,012.50
Ada Shaini	200.00	3.30	$660.00
Allan MacDonald	300.00	0.25	$75.00
Anoosha Selvaratnam	225.00	3.25	$731.25
Andrew Nash	300.00	33.75	$10,125.00
Corey Hines	225.00	43.00	$9,675.00
		263.45	$96,942.50

Exhibit "B"

GrantThornton

March 11, 2022

Canada Fluorspar Inc.
1 Clarke's Pond Rd
St. Lawrence NL A0E 2V0

Remit To:
Grant Thornton Limited
Nova Centre, North Tower
1001 - 1675 Grafton St
Halifax, NS B3J 0E9

BN 12738 4717 RT0001

CLIENT # 327680

TO PROFESSIONAL SERVICES

INVOICE # LNOS-1505

PROFESSIONAL SERVICES RENDERED IN CONNECTION WITH OUR APPOINTMENT AS INTERIM RECEIVER OF CANADA FLUORSPAR INC.

FOR THE PERIOD OF MARCH 1ST, 2022 TO MARCH 11TH, 2022

Fees for this Invoice (see attached details)		$82,531.25
Meals		1,549.97
Travel		11,643.19
Misc		60.00
	Sub Total	95,784.41
	HST	14,367.67
	CAD	$110,152.08

Billing Address
Nova Centre, North Tower
1000 - 1675 Grafton St
Halifax NS B3J 0E9
T +1 902-421-1734
F +1 902-420-1068

Please make payment(s) payable to Grant Thornton Limited
For Billing inquiries, please contact your local office.
For payment inquiries, please call 1-844-268-1495 between 8:30 AM and 6:30 PM Atlantic Time, Monday to Friday. We accept payments using Visa or MasterCard.
Please note we are unable to accept INTERAC E-transfer.
For money transfers: RBC Royal Bank of Canada, 200 Bay Street, Toronto, ON M5J 2J5
Bank No: 003 Transit No: 00002 Account No: 1456458 BIC/SWIFT Code: ROYCCAT2
Please send remittance details to: Accounts.Receivable@ca.gt.com

Exhibit "B"

Canada Fluorspar Inc. Details to March 11, 2022

Date	Staff	Hours	Note
3/1/2022	AS	2.00	Call with Bell Aliant re: account details. Preparing wire. Call with C.hines on details re: payments. Responding to inquires on outlook organizing inbox.
3/1/2022	SM	2.00	Call with D. Kitchin and J. Flood re fluorspar inventory and HSBC; Conf call with Deloitte, Dentons, and HSBC re Deloitte engagement and inventory/AR.
3/1/2022	CH	6.00	Discussions with P. Gannon and G. Lambert regarding reporting for mineral leases and licenses; Email correspondence with employee and creditors regarding proceedings; Discussions with P. Gannon and P. Hennebury regarding explosives on site and potential sale of remaining inventor; Attend staff meeting.
3/1/2022	PC	6.00	Call with Deloitte and legal counsel on CFI; call with PNL on CCAA planning, DIP; correspondence with DIP lenders on proposed CF, draft DIP agreement; correspondence on mineral leases and licenses; correspondence with secured creditors and DIP lenders
3/2/2022	PC	8.50	Call with IR legal counsel on CCAA application, call wit MHA Paul Pike and Town of St. Lawrence on status of estate; call with BFI on status of IR and DIP loan; internal call on payments; review of changes to proposed SISP for DIP agreement and correspondence on same; follow up on actions from DIP lender call; correspondence with stakeholders on the admin charge; preparation of NDA and solicitation letters
3/2/2022	CH	8.00	Call with D. Kitchen regarding payments required for mineral licenses, mine and surface leases; Discussions with P. Gannon and G. Lambert regarding compliance reporting requirements; Meet with AEL on site while removing explosive material; Drive to tailings pond to inspect pump malfunction; Discussion with R. Milmine regarding expenses to be paid and fuel to be ordered; Attend 10am and 4pm meeting; Discussion with M. Spearns and M. Brushett regarding payroll and related items to be paid; Discussion with M. Spearns and P. Gannon regarding further terminations.
3/2/2022	JK	3.20	Amend pre-filing report; Correspond with team re: same
3/2/2022	AS	1.00	Meeting on payment processes for CFI. Sorting through mineral licenses. Responding to CFI emails.
3/2/2022	AM	0.25	Discuss Ceridian payroll system and potential issues with A Selvaratnam.
3/3/2022	SM	2.00	Call with D. Kitchin on various matters including inventory sale options; Emails and calls with A. Drake re Sharepoint access and back-up of electronic data processes; Emails with team on various matters; TC with L. Murphy and email to him unlocked version of cash flow projection.
3/3/2022	CH	9.00	Call with D. Kitchen regarding payments required for mineral licenses, mine and surface leases; Email correspondence with P. Clarke regarding payment of mineral leases, surface and mine leases; Discussion with M. Spearns and M. Brushett regarding payroll and related items to be paid; Discussion with M. Spearns and P. Gannon regarding further terminations; Attend 10am meeting with staff; Discussion with R. Milmine regarding vacating rental houses; Discussion with R. Milmine and J. Loder regarding fuel levels and gas to be ordered for delivery next week; Call with R. Milmine regarding logistics of payment to Western Petroleum; Discussion with P. Gannon and N. Coombs regarding additional security measures implemented and log books of contractors who have entered and left site.
3/3/2022	AS	2.00	Call with C.Hines re: CFI mines license renewing. Entering disbursement, preparing cheque req. Call with C.Hines re: payroll, call with Versabank confirming PAD abilities. Call with S.Macneil and C.Hines. Sorting through CFI inbox. Follow-up call with SMacneil and C.Hines on urgent payments to be rolled out within the week. Call with C.Hines on response to vacate notice.
3/3/2022	PC	7.50	Call with McInnes Cooper on CCAA application documents; various communications with stakeholders; correspondence on status of mineral licenses and leases; additional questions from the Town of St. Lawrence; draft application documents; review CCAA service list; various communications on same; correspondence with vendors onIR payments; correspondence with customers; vendors and employee issues; CCAA application documents
3/4/2022	PC	0.25	Internal call in IR status, call with PNL and BFI on status of DIP and CCAA filing documents; review filing docs and draft orders; various communications with stakeholders on same; various communications with creditors and customers

Exhibit "B"

Canada Fluorspar Inc. Details to March 11, 2022

Date	Staff	Hours	Note
3/4/2022	PC	7.50	Internal call in IR status, call with PNL and BFI on status of DIP and CCAA filing documents; various communications with stakeholders on same.
3/4/2022	AS	4.25	Call with C.hines re: list of creditors and payments. Email to S.MacNeil with details. Sorting through terminated payroll amounts and sending C.Hines finalized value. Preparing wire and entering details into ascend. Sending to Versabank for processing. Call with C.Hines on all details related to immediate payments. Entering details into ascend with backup. Preparing SRD and sending to S.MacNeil for review. Reviewing C.Hines email re: Ceridian invoices, call with C.Hines on additional invoice details. Confirmation on wire transfer sent to Wester Petroleum to confirm delivery. Preparing wire to pay invoice,sending to S.MacNeil to confirm.
3/4/2022	CH	5.00	Update call with P. Clarke, S. MacNeil and J. Kanji; Call with P. Gannon, M. Spearns and D. Kitchen regarding further terminations; Email correspondence with P. Clarke regarding list of individuals to be terminated; Call with P. Gannon regarding update on terminations; Call with D. Kitchen regarding insurance documents and termination of employees; Call and email correspondence with D. Brown at Western Petroleum regarding logistics of payment for gas order next week; Call with J. Loder regarding current gas levels; Call with A. Selvaratnam regarding payroll analysis and invoice support for payments to be made.
3/4/2022	CH	3.50	Travel from Marystown to Halifax
3/4/2022	JK	3.70	Draft and amend prefiling report; Correspond with team re: proceedings; Correspond with PWC re: SISP
3/5/2022	PC	0.75	correspondence with interested parties
3/7/2022	AS	2.00	Preparing wire details, finalizing invoice details in ascend, processing wire, saving backup. Responding to CFI e-mails. Organizing inbox.
3/7/2022	PC	10.75	Call with interested party; call with Deloitte; communications with stakeholders; update to HSBC advisors on inventory; review of IR expenses and payment of same; correspondence with stakeholders on DIP, CCAA application, etc.; respond to queries on admin charge and SISP to secured lenders; confirm DIP is agreed and communication to stakeholders on same; review and finalized IR report and affidavit
3/7/2022	JK	5.30	Prepare, draft and review first report of the interim receiver and proposed monitor; Correspond with team re: sales process, report matters and proceeding matters
3/7/2022	SM	5.50	Call with team to discuss issues including care and maintance progress, cash flow, SISP, reporting to Court; etc.; Call with Deloitte and Dentons to discuss HSBC inventory; Review list of creditors; Emails with company re capital lessors, etc.; Review payroll for upcoming wire; TCs and emails with M. Spears and M. Brushett re payroll, vacation arrears, etc.; Emails with D. Kitchen re various financial matters; Payroll review.
3/7/2022	CH	7.00	Review AP list provided by CFI and email to S. MacNeil for court report; Email correspondence with P. Gannon regarding reporting extensions; Call and email correspondence with M. Spearns and M. Brushett regarding payroll; Call with P. Gannon regarding update over weekend and repairs to be done to snow plow; Call with M. Spearns, M. Brushett and D. Kitchen regarding payroll; Call with S. MacNeil regarding payroll reports; Email correspondence with P. Clarke, S. MacNeil and J. Kanji regarding payroll reports and amount to be paid; Email correspondence with Epiroc regarding technician onsite; Email correspondence with J. Loder regarding fuel levels; Email correspondence with P. Gannon regarding AEL explosives inventory.
3/8/2022	AN	0.75	Discussions with Anoosha about delivering the Cheque to Mining Centre Driving down to building to drop off cheque

Exhibit "B"

Canada Fluorspar Inc. Details to March 11, 2022

Date	Staff	Hours	Note
3/8/2022	CH	6.50	Call and email correspondence with P. Gannon regarding AEL explosives inventory; Calls and email correspondence with M. Spearns, M. Brushett and D. Kitchen regarding payroll to be paid; Call with A. Selvaratnam regarding wires to be sent to Ceridian; Call with P. Clarke and S. MacNeil regarding approval of payroll and wires; Call and email correspondence with S. MacNeil regarding additional communication to employees regarding unpaid vacation amounts; Email correspondence with J. Loder regarding employee expense claim; Call with A. Selvaratnam regarding delivery of cheque for mineral licenses and leases; Email correspondence with L. Fraser to follow-up with UPS on cheque for mineral leases and licenses; Communication with A. Nash regarding delivery of cheque for mineral licenses and leases to the Department of Minerals; Email correspondence with P. Clarke regarding Blue Water totes at on site; Email correspondence with J. Loder regarding amount owed for Pat's rental unit.
3/8/2022	SM	6.25	Call with PwC to discuss HSBC inventory, AR and filing; Process wire payments re payroll and other critical supplies; Draft employee correspondence for website; Emails with M. Willette and others re employee matters; Drafting IR/Monitor's first report to Court; etc.
3/8/2022	AM	0.25	Discuss WEPP and payroll matters with C Hines.
3/8/2022	JK	4.20	Prepare for an attend call with PWC; Review information relating to the Monitor appointment; Prepare list of interested parties; Discussions with Transactions and Assurance team re: interested parties; Draft Teaser
3/8/2022	PC	8.00	Execution of CCAA application documents and affidavit; discussion on SISP; review and finalize IR / proposed monitor report and affidavit of Phil Clarke; HSBC requested changes to initial order circulated to DIP lenders; various correspondence on same; correspondence with stakeholders on status of estate; correspondence with legal counsel on changes to initial order and service list; calls on inventory; inventory priority dispute correspondence with HSBC, BFI and PNL; review interested party list for SISP; IR vendor communications
3/8/2022	AS	5.00	CFI email responses. Call with C.Hines re: payroll. Call with P.Clarke re: payroll. Calling Manulife and Ceridian re: payment details. Preparing wire details, entering information into ascend. call with Versabank re: immediate processing. Preparing cheque requisitions circulating for details. Updating C.hines and P.Clarke with remaining funds. Saving appropriate backup for wires in ascend.
3/9/2022	JK	3.80	Prepare Teaser for CFI sales process
3/9/2022	PC	13.00	Discussion on inventory with CCAA application and options discussion between BFI and HSBC; call with DIP Lenders on status of Initial application; call with Controller on status of inventory and possible proposals; review inventory analysis with BFI; liquidity discussion with Deloitte; discussion on HSBC's security position; review of application with IR legal
3/9/2022	SM	5.75	Call with PwC, PNL, and advisors re DIP, filing, other issues; Call with team to discuss SISP, NDA, CIM, and compiling list of prospective purchasers; 2nd call with PwC re DIP and cash flow forecast; Call with company , HSBC, and advisors re inventory, AR, priming, etc.; Review court documents; Changes to IR/Monitor's report; Dealing with inventory issues; Numerous calls with stakeholders.

Exhibit "B"

Canada Fluorspar Inc. Details to March 11, 2022

Date	Staff	Hours	Note
3/9/2022	CH	6.50	Email correspondence with CFI management regarding product onsite held on consignment for Weir Materials; Email correspondence with D. Kitchen, M. Spearns and M. Brushett regarding payroll and workers compensation payment; Call with D. Kitchen regarding payroll and current employees; Email correspondence with P. Clarke regarding schedule of mineral license and mine lease payments; Email correspondence with A. Selvaratnam regarding payment of snow plow repair; Email correspondence with P. Gannon and M. Spearns regarding additional comments to employees regarding unpaid vacation amounts; Email correspondence with A. Selvaratnam and A. Drake regarding contracts with Bell Mobility; Send out meeting invite for CFI management to provide an update on the CCAA hearing to be held and the SISP; Email correspondence with A. Shahini regarding uploading additional documents to GT's website; Email correspondence with Epiroc regarding contractor on site to evaluate drills; Email correspondence with S. MacNeil, A. Drake, D. Kitchen and P. Gannon regarding services with Slake; Email correspondence with J. Loder regarding invoices from R&E Transport; Call with D. Kitchen, P. Gannon and M. Spearns regarding termination of additional employees; Call with P. Gannon regarding update on site and services with vendors.
3/9/2022	AS	3.50	Entering wire transfers in ascend, updating backup with swift code confirmation. Call with C.hines re: Ceridian details, email to Ceridian with wire confirmation. Call with J,Kanji, S.Macneil, C.hines re: next steps CFI. Sorting through CFI bell accounts, reviewing response from Darin, emailing bell re: accounts. Responding to various emails in CFI inbox, forwarding invoices to AP inbox and maintain backup.
3/9/2022	ASh	0.60	Updated case website with details provided from the team; Responded the teams emails.
3/10/2022	ASh	0.20	Updated case website with details provided from the team; Responded the teams emails.
3/10/2022	AS	4.00	Drafting notice of creditors as per MacNeil. Call with C.Hines re: outstanding payments and updating ascend to match. Reviewing remaining funds. Preparing backup for C.Hines to review and providing estimate for fees. Preparing and entering various payments filing backup in ascend. Preparing various wires, call with VersaBank verifying details, filing backup and processing on ascend once complete.
3/10/2022	CH	5.50	Email correspondence with P. Clarke regarding insurance payment; Call with P. Clarke and A. Selvaratnam regarding schedule of payments to be made over the next week; Prepare a schedule of cash payments to be made over the next two weeks; Email correspondence with D. Kitchen and M. Spearns regarding Ceridian access; Email correspondence with J. Loder and Western Petroleum regarding fuel delivery; Call and email correspondence with A. Selvaratnam regarding payments to be made; Email correspondence with J. Kanji regarding customer contacts for sales process; Email correspondence with J. Loder regarding employee expense claims; Call with D. Kitchen regarding additional employee terminations;
3/10/2022	SM	8.25	Prepare analysis of offers received to date on inventory; Emails with PwC and P. Clarke re inventory; Emails and calls with D. Kitchen re inventory; Review emails from interested parties; Emails with Solvey and Koura Global; Conf call with PwC and P. Clarke re inventory; Email to HSBC and advisors re inventory sales options; Calls with C. Hines re liquidity and critical payments; Calls with stakeholders re tomorrow's hearing; Emails with A. Shahini re Monitor's website; Review application documents, notice of motion, affidavit, etc. for posting.
3/10/2022	PC	8.75	HSBC inventory discussion with controller; BFI; liquidity discussion with Deloitte; called with DIP Lenders on HSBC's security position; various communications on same; IR payments; various communications with stakeholders on same
3/10/2022	JK	2.30	Prepare for an attend call with department heads to discuss information relating to sales process; Correspond with team re: same
3/10/2022	AM	0.25	Scan notes package to P Clarke.
3/11/2022	JK	2.00	General administrative matters re: CCAA appointment; Update and review interested party list; Review and amend teaser

Exhibit "B"

Canada Fluorspar Inc. Details to March 11, 2022

Date	Staff	Hours	Note
3/11/2022	PC	12.00	Application hearing - 7.5; various called with stakeholders on initial order; IR vendor communication; redrafting initial order from input from stakeholders and court; communication on inventory issue with HSBC; sign DIP agreement and funding request and send to DIP lenders
3/11/2022	CH	8.00	Email correspondence with M. Speams regarding question from employee; Email correspondence with M. Hoang and K. Ramirez with Slack regarding services and an update on the proceedings to date; Compile vendor list with mailing addresses for notices of CCAA; Call and email correspondence with E. Steele regarding sending out notices to all creditors on Monday; Call with S. MacNeil as update on hearing and travel plans; Call with P. Gannon as an update on the hearing and updates on site; Email correspondence with J. Loder regarding Ron's rental house; Email correspondence with J. Kanji regarding creditor mailing list; Email correspondence with P. Clarke regarding questions for affidavit; Email correspondence with P. Clarke; S. MacNeil and J. Kanji regarding barge in Marystown; Call with P. Gannon regarding barge in Marystown and power outages; Email correspondence with P. Clarke and S. MacNeil regarding power outages; Email correspondence with E. Steele and J. MacDonald regarding notices to be sent on Monday.
3/11/2022	SM	3.50	Approve disbursements and sign wires/cheques; Emails with C. Hines re vendors; Draft notice to creditors; Instructions to AS on mailout and posting to website; TCs with P. Clarke re court hearing; TCs with D. Kitchen re inventory, staffing, etc.
3/11/2022	ASh	0.20	Updated case website with details provided from the team; Responded the teams emails; Discussion with team on toll-free number set up.
		232.00	

FEE SUMMARY

Trustee	Rates	Units	$ Value
Phil Clarke, CIRP	475.00	83.00	$39,425.00
Sean MacNeil, CIRP	400.00	33.25	$13,300.00
Professional			
Jason Kanji	375.00	24.50	$9,187.50
Ada Shaini	200.00	1.00	$200.00
Allan MacDonald	300.00	0.75	$225.00
Anoosha Selvaratnam	225.00	23.75	$5,343.75
Andrew Nash	300.00	0.75	$225.00
Corey Hines	225.00	65.00	$14,625.00
		232.00	$82,531.25

Appendix “M”

Canada Fluorspar Inc. (CFI)
Cash Flow Report (CCAA - Care and Maintenance - Sale and Investor Solicitation Process)
For the Period of March 11, 2022 to May 8, 2022 (Weeks 3 to 11)
(In 000s CAD)

Week No.	Notes	Budget to 8-May-22	CCAA 3	4	5	6	7	8	9	10	11		Actual	Variance	Cumulative
Week Start			07-Mar-22	14-Mar-22	21-Mar-22	28-Mar-22	04-Apr-22	11-Apr-22	18-Apr-22	25-Apr-22	02-May-22				
Week Ending			13-Mar-22	20-Mar-22	27-Mar-22	03-Apr-22	10-Apr-22	17-Apr-22	24-Apr-22	01-May-22	08-May-22				
Cash Inflows															
Collection of Receivables		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Inventory	A	-									5,455		5,455	5,455	5,455
Other	B	-	-	-	-	-	7	-	14	57	83	-	160	160	188
Total Cash Inflows		-	-	-	-	-	7	-	14	57	5,537	-	5,615	5,615	5,643
Cash Outflows															
Payroll		1,073	-	153	47	138	1	132	39	145	9		664	(409)	12
Maintenance Costs		36	13	5	14	17	5	6	2	9	2		73	37	20
Fuel		99	-	-	48	-	-	21	9	-	27		105	6	(6)
Freight		18	2	0	-	-	-	-	-	-	-		2	(16)	(20)
Utilities		522	-	11	19	-	37	-	28	17	25		137	(385)	(425)
Insurance		170	-	-	84	-	0	-	84	-	-		167	(3)	(9)
Materials/Supplies		18	1	1	-	-	-	-	-	1	-		2	(16)	(20)
Professional Fees - Restructuring	C	550	23	-	45	145	86	-	-	195	-		495	(55)	(129)
Other/Miscellaneous		17	2	-	116	2	0	-	-	2	1		123	106	157
Sale of Inventory	D	-								94	593		687	687	687
Telephone/Communications		29	8	3	11	12	2	3	3	-	1		43	14	(5)
Environmental		91	23	1	-	16	0	0	5	3	0		49	(42)	(46)
Logistics/Warehousing		18	1	-	0	0	0	-	-	0	-		1	(17)	(17)
Contingency															
Total Cash Outflows		2,641	71	173	384	331	131	162	170	465	659	-	2,547	(94)	197
Net Cash Flow		(2,641)	(71)	(173)	(384)	(331)	(125)	(162)	(156)	(408)	4,878	-	3,068	5,709	5,446
Cash Balance															
Opening Cash Balance		440	321	250	1,876	1,492	1,161	1,037	875	719	3,211	719	321	(119)	
DIP Financing - Bridging Finance (Receiver)		1,450								1,450			1,450	-	
DIP Financing - Prov. of Newfoundland		3,250		1,800						1,450			3,250	-	
Payment to HSBC (Secured Creditor)	E												-	-	
Net Cash Flow		(2,641)	(71)	(173)	(384)	(331)	(125)	(162)	(156)	(408)	4,878	-	3,068	5,709	
Closing Cash Balance		2,499	250	1,876	1,492	1,161	1,037	875	719	3,211	8,089	719	8,089	5,590	

Notes:

A. Sale of inventory was in USD, net of holdback for moisture adjustment per invoice to Fluorsid. Invoice amount in CAD amount is estimated based on budgeted exchange rate of $1.2502. To date CFI has collected $2,785,746.09 CAD as follows:

	USD	CAD
Sale of Inventory (8,094.78 @ $550)	4,452,127.68	5,566,050.03
Less: 2% Holdback Moisture Adjustment	(89,042.55)	(111,321.00)
Net Sale of Inventory	$ 4,363,085.13	$ 5,454,729.03
Less Amounts Retained by Cox & Palmer:		
Payment to HSBC	(2,118,000.00)	
Demurrage Holdback	(60,000.00)	
	(2,178,000.00)	
Estimated Net Proceeds Available to CFI	2,185,085.13	
Proceeds Paid to CFI	**2,159,827.95**	**2,785,746.09**
Sale of Inventory - Receivable from Fluorsid	**$ 25,257.18**	

B. Includes Gov't of NL JEA Grant ($56,535.92) and Manulife DPSP Forfeiture refund ($82,520.42)

C. GT fees billed to April 30, 2022; legal fees to March 31, 2022.

D. Includes demurrage estimate of $60,000 USD, estimated to be $75,012 CAD.

E. HSBC will be paid $2,118,000 USD related to the sale of inventory. CAD amount will not be known until the transfer occurs.

Canada Fluorspar Inc. (CFI)
Cash Flow Report (Interim Receivership - Care and Maintenance - Sale and Investor Solicitation Process)
For the Period of February 21, 2022 to March 10, 2022 (Weeks 1 & 2)
(in 000s CAD)

		Interim Receiver		Budget to	Interim Receiver			Actual	Variance
Week No.	**Notes**	1	2	10-Mar-22	1	2	3		
Week Start		21-Feb-22	28-Feb-22		21-Feb-22	28-Feb-22	07-Mar-22		
Week Ending		27-Feb-22	06-Mar-22		27-Feb-22	06-Mar-22	10-Mar-22		
Cash Inflows									
Collection of Receivables		-	-	-	-	-	-	-	-
Other		-	-	-	-	-	28	28	28
Total Cash Inflows		-	-	-	-	-	28	28	28
Cash Outflows									
Payroll	A	776		776	803	37	357	1,197	421
Maintenance Costs		4	14	18			1	1	(17)
Fuel		11	11	22			10	10	(12)
Freight		2	2	4				-	(4)
Utilities		58	58	116			76	76	(40)
Insurance		6	79	85		78		78	(7)
Materials/Supplies		2	2	4				-	(4)
Professional Fees - Restructuring		150	150	300		116	110	226	(74)
Other/Miscellaneous	B	1	12	13		64		64	51
Telephone/Communications		3	4	7	2	0	2	4	(3)
Environmental		4	16	20			1	1	(19)
Logistics/Warehousing		2	2	4		0		0	(4)
Contingency								-	-
Total Cash Outflows		1,019	350	1,369	805	295	557	1,657	288
Net Cash Flow		(1,019)	(350)	(1,369)	(805)	(295)	(529)	(1,629)	(260)

Cash Balance									
Opening Cash Balance	A		790	-	1,950	1,145	850	1,950	1,950
DIP Financing - Bridging Finance (Receiver)		1,809		1,809				-	(1,809)
DIP Financing - Prov. of Newfoundland				-				-	-
Net Cash Flow		(1,019)	(350)	(1,369)	(805)	(295)	(529)	(1,629)	(260)
Closing Cash Balance		790	440	440	1,145	850	321	321	(119)

Notes:

A. There was $1,950,030 in the HSBC bank account at the beginning of the Interim Receivership. $820,000 of that was paid to Ceridian before the account was frozen in order to meet payroll. Actual payroll for the week ending Feb 19-2022 was $791,787. The $28,213 credit on account with Ceridian was applied on the following payroll run.

B. Includes unbudgeted expenses including mining licenses of $61,680.

Appendix "N"

Canada Fluorspar Inc. (CFI)
Cash Flow Projection (Extension of Sale and Investor Solicitation Process)
For the Period of May 9, 2022 to August 28, 2022
(in 000s CAD)

			CCAA SISP - Phase 2 (extended)																
Week No.	**Notes**	Actual	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	Total
Week Start		07-Mar-22	09-May-22	16-May-22	23-May-22	30-May-22	06-Jun-22	13-Jun-22	20-Jun-22	27-Jun-22	04-Jul-22	11-Jul-22	18-Jul-22	25-Jul-22	01-Aug-22	08-Aug-22	15-Aug-22	22-Aug-22	07-Mar-22
Week Ending		08-May-22	15-May-22	22-May-22	29-May-22	05-Jun-22	12-Jun-22	19-Jun-22	26-Jun-22	03-Jul-22	10-Jul-22	17-Jul-22	24-Jul-22	31-Jul-22	07-Aug-22	14-Aug-22	21-Aug-22	28-Aug-22	28-Aug-22
Cash Inflows																			
Collection of Receivables	A	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other - Sale of Inventory	B	5,628	-	-	-	-	-	-	-	111	-	-	-	-	-	-	-	-	5,739
Other - Sale of Equipment	C	-	-	-	-	-	-	-	165	-	-	-	-	150	-	-	-	-	315
Other		161	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	161
Total Cash Inflows		5,788	-	-	-	-	-	-	165	111	-	-	-	150	-	-	-	-	6,215
Cash Outflows																			
Payroll		664	-	200	-	175	-	175	-	175	-	175	-	175	-	175	-	175	2,089
Maintenance Costs		73	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	8	201
Fuel		105	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	425
Freight		2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2
Utilities		137	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	18	425
Insurance		167	-	85	-	-	-	85	-	-	-	85	-	-	-	85	-	-	507
Materials/Supplies		2	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	18
Professional Fees - Restructuring		495	75	100	100	75	50	50	50	50	50	50	50	50	50	50	50	50	1,445
Other/Miscellaneous		6	1	1	1	5	1	1	1	5	1	1	1	5	1	1	1	5	38
Inventory Sale Costs	B	689	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	689
HSBC Inventory Sale Agreement	B	2,732	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,732
Telephone/Communications		43	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	123
Environmental		49	5	5	5	30	5	5	5	30	5	5	5	30	5	5	5	30	229
Logistics/Warehousing		1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1
Contingency		-	-	-	-	10	-	-	-	10	-	-	-	10	-	-	-	10	40
Equipment Lease Payments/Buyouts		-	55	-	-	3	-	2	133	3	3	2	1	3	3	-	2	4	212
Barge		-			20	-	-	-	5	-	-	-	-	5	-	-	-	5	35
Mining Leases / Licenses		117	-	24	-	-	-	-	-	-	-	-	-	1	-	4	-	-	144
SLR/AGP - NI 43-101 Mining Report			380	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	380
Total Cash Outflows		5,281	568	467	178	350	108	370	246	325	111	370	109	331	111	372	110	331	9,735
Net Cash Flow		507	(568)	(467)	(178)	(350)	(108)	(370)	(81)	(214)	(111)	(370)	(109)	(181)	(111)	(372)	(110)	(331)	(3,520)
Cash Balance																			
Opening Cash Balance		321	5,528	4,960	4,494	4,316	3,966	3,858	3,488	3,408	3,194	3,083	2,713	2,605	2,424	2,313	1,942	1,732	321
DIP Financing - Bridging Finance (Receiver)		1,450	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,450
DIP Financing - Prov. of Newfoundland		3,250	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,250
Priority Charges		-															(100)	(85)	(185)
Net Cash Flow		507	(568)	(467)	(178)	(350)	(108)	(370)	(81)	(214)	(111)	(370)	(109)	(181)	(111)	(372)	(110)	(331)	(3,520)
Closing Cash Balance		5,528	4,960	4,494	4,316	3,966	3,858	3,488	3,408	3,194	3,083	2,713	2,605	2,424	2,313	1,942	1,732	1,316	1,316

Notes:

A - Deloitte Restructuring Inc. was appointed as receiver on behalf of HSBC who held security over the receivables. Whether any surplus funds will exist after the receivership is unknown at this time.

B - See inventory sale schedule for details on sale of fluorspar and costs including agreement with HSBC and funds set aside in trust pending resolution of dispute with Farrell's Excavating in respect to loading of the vessel.

C - The Monitor is exploring the buyout and sale of certain redundant leased equipment, which may transpire sometime in June.

Canada Fluorspar Inc. (CFI)
Sale of Inventory to Fluorsid Group Srl
Receipts & Disbursements to May 6, 2022

	USD	CAD	Note
Sale of Inventory (8,094.78 @ $550)	4,452,127.68	5,742,354.28	
Less: 2% Holdback Moisture Adjustment	(89,042.55)	(114,847.08)	
Net Sale of Inventory	$ 4,363,085.13	$ 5,627,507.20	A
Less Amounts Retained by Cox & Palmer:			
Payment to HSBC	(2,118,000.00)	(2,731,796.40)	B
Demurrage Holdback	(60,000.00)	(77,388.00)	C
	(2,178,000.00)	(2,809,184.40)	
Net Proceeds Available to CFI	2,185,085.13	2,818,322.80	D
Less Amounts Paid by CFI:			
Farrell's (paid into trust)		(510,584.01)	
Peter Kiewit & Sons ULC		(65,789.20)	
A. Harvey Logistics		(20,295.81)	
		$ (596,669.02)	E
Sale of Inventory - Net Cash Flow		**$ 2,221,653.78**	
USD / CAD Exchange Rate	**$1.2898**		F

A. Reported under "Other" cash inflows on May 8 CCAA report.

B. Reported under "Other" cash outflows on May 8 CCAA report. Payment processed by Cox & Palmer.

C. Reported under "Logistics / Warehousing" on May 8 CCAA report; USD amount held by Cox & Palmer.

D. $2,785,746.09 CAD was received by GT to date; $25,257.18 USD remains receivable.

E. Reported under "Logistics / Warehousing" on May 8 CCAA report.

F. Exchange rate used to translate all USD is based on day of transfer of funds from C&P to GT and will vary on future transfers.